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Miners' Conflict with the
Mineowners

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# THE MINERS' CONFLICT WITH THE MINEOWNERS

BY

JOHN THOMAS, B.A.

(*Miners' Agent, S.W.M.F.*)

Author of "THE ECONOMICS OF COAL"

With foreword by GEORGE BARKER, M.P.

INTERNATIONAL BOOKSHOPS, LIMITED

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# Foreword

THE Author of this pamphlet has written a concise and lucid account of the Coal Dispute, and he has done it exceedingly well. I know very few pamphlets that contain so much information in such little space.

The inception and effect of Government Control in the Mining Industry is outlined here in detail, and the public can see how a great National Industry was taken over in the heyday of its prosperity by a dishonest and unprincipled set of political opportunists, who exploited it for their nefarious purpose, destroyed its foreign markets, then scuttled out of it, leaving it stricken, ruined, and hamstrung by the pernicious Treaty of Peace made by the Prime Minister at Versailles.

To the Mining Student and the Public this booklet will be invaluable, giving as it does the gist of many orders and regulations issued during the period of the War, with a great deal of valuable statistical information dealing with output, export, prices, profits and wages.

The writer is well qualified for his task; he has worked in the Mine, is now a Miners' Agent, is a



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keen Student of Economics, and a B.A. (University of Wales). The Miners are specially indebted to him for the able and forcible way he has stated their case. The genesis of the present disastrous conflict is rightly traced to the baleful influence of Sir Robert Horne and his Mining Industry Act, who violated the principle of his own legislation by de-controlling the Coal Industry on March 31st in the teeth of the opposition of the Parliamentary Labour Party and the Miners' Federation of Great Britain.

I congratulate Mr. Thomas on his achievement, and predict for his pamphlet a very wide circulation.

GEORGE BARKER.

*August*, 1921.

# The Conflict between the Miners and the Mineowners

THE poet has well said, " The past is the parent of the present weal or woe." Crises such as the recent one experienced in the British Coalfield do not happen miraculously or by accident, nor do they arise as the result of one fell foul sweep upon the Industry by foreign agitators, bedubbed Bolshevists, by such royalty-drawing aristocrats as the Duke of Northumberland. Crises, whether in the Political or Economic World, develop or grow. The occasion for a crisis such as the Coal Crisis may be definitely fixed as, say, March 31st, 1921, but the underlying causes must be traced and explained by reference to antecedent events. In other words, to fully understand the Coal Crisis, consequent on the termination of notices on March 31st, one has to look at events in the Coalfield in perspective, at least, from about 1913 onwards.

In order to correlate the events, and to bring out their proper sequence, it will be convenient if we take the following method :—

A.—Events in the Coal Industry *before* March 31st, 1921.

B.—Events in the Coal Industry *after* March 31st, 1921.

## A.—Events in the Coal Industry before March 31st, 1921.

*The Industry in Pre-War Days.*

Under the well-established doctrines of Free Trade, or *Laisser Faire*, which have been predominant in the British Isles for many decades, the British Coal Trade in pre-War days enjoyed almost complete immunity from Government interference (control) regarding the sale of coal for home or

export purposes. There were practically no restrictions re price or place of export. British coal could be exported at the then prevailing market price to any quarter of the globe.

The following table of exports from the United Kingdom for 1913 shows the numerous places to which coal was exported and the extent of the same.

STATEMENT showing the Quantities of Coal Exported from the United Kingdom to each Foreign Country during 1913.—(From Custom House Returns).

| Country to which Exported. | Tons (000's omitted). | Country to which Exported. | Tons (000's omitted). |
|---|---|---|---|
| Russia ... ... ... | 5,998 | Morocco ... ... | 9 |
| Sweden ... ... | 4,563 | Persia ... ... ... | 2 |
| Norway ... ... | 2,298 | Siam ... ... ... | 4 |
| Denmark ... ... | 3,034 | China ... ... ... | 26 |
| Iceland ... ... | 104 | Japan ... ... ... | 4 |
| Germany ... ... | 8,952 | U.S.A. ... ... ... | 6 |
| German W. Africa | 8 | Cuba ... ... ... | 12 |
| German E. Africa | 3 | Mexico ... ... | 20 |
| Netherlands ... ... | 2,018 | Venezuela ... ... | 1 |
| Java ... ... ... | 34 | Peru ... ... ... | 17 |
| Dutch Borneo ... | 5 | Chile ... ... ... | 589 |
| Dutch Guiana ... | 2 | Brazil ... ... ... | 1,887 |
| Belgium ... ... | 2,031 | Uruguay ... ... | 724 |
| France ... ... ... | 12,775 | Argentine ... ... | 3,694 |
| Algeria ... ... | 1,281 | Gibraltar ... ... | 355 |
| French W. Africa ... | 149 | Malta ... ... ... | 700 |
| French Somaliland... | 55 | Sierra Leone ... | 41 |
| Madagascar ... ... | 19 | Nigeria ... ... | 59 |
| Portugal ... ... | 1,201 | St. Helena ... ... | 5 |
| Azores ... ... ... | 22 | Cape of Good Hope | 65 |
| Madeira ... ... | 131 | Zanzibar ... ... | 4 |
| Portuguese W. Africa | 233 | Mauritius ... ... | 40 |
| Spain ... ... ... | 2,534 | Aden ... ... ... | 181 |
| Canary Islands ... | 1,114 | British India ... | 179 |
| Spanish Ports in Africa ... ... | 4 | Straits Settlements | 30 |
| Italy ... ... ... | 9,647 | Ceylon ... ... ... | 240 |
| Italian East Africa | 5 | Wei-hai-wei ... ... | 12 |
| Austria-Hungary ... | 1,056 | Hong-Kong ... ... | 52 |
| Greece ... ... | 727 | New Zealand ... | 5 |
| Bulgaria ... ... | 56 | Canada ... ... | 38 |
| Roumania ... ... | 251 | Newfoundland ... | 56 |
| Turkey, European ... | 213 | Bermudas ... ... | 9 |
| Turkey, Asiatic ... | 156 | British West India Islands ... | 25 |
| Egypt ... ... ... | 3,162 | British Honduras ... | 3 |
| Tripoli ... ... | 4 | British Guiana ... | 15 |
| Tunis ... ... ... | 192 | Falkland Islands ... | 28 |

Immediately on the outbreak of War in 1914, as is well known to all, restrictions were imposed on individuals and concerns alike, as evidenced by the mass of Defence of the Realm Acts, Regulations and Orders from 1914 to 1919. For the duration of the War (and after, in some instances), the Government undertook a measure of control of the Coal Industry never known before. The State had interfered with the freedom of the Coal Industry in previous years in its Coal Mines Act, 1887-1911, and the Coal Mines Minimum Wage Act, 1912, but on these occasions only in a paternal sense of protecting life and limb of the mine-workers. But the Government interference with the freedom of the Coalowners (or rather, shall we not beg the question by simply calling it henceforth Government control) exercised during the years of War, was of a nature entirely different from previous State regulation. The Acts, Regulations, and Orders in Council are very far-reaching in their extent and character. Reviewed in their entirety, these measures of Government Control of the Coal Industry amount to a degree of regulation very much akin to control through Nationalisation.

## State Control or Regulation of the Coal Industry, 1913-1921.

I. *Exports.*

By the undermentioned Order of May 13th, 1915, the Government prohibited export of coal except by licence.

" By an Order in Council issued by the Board of Trade the export of Coal and Coke was prohibited to all destinations abroad other than British Possessions and Protectorates and Allied Countries.

Application for licences to export these commodities to any prohibited destinations are to be made on a special form to the War Trades' Department, 4, Central Buildings, Westminster."

By the following Order the prohibition was extended to Allied Countries (mainly France and Italy):

" By an Order in Council, an amendment of the above Prohibition Order was made to the effect that on and after the 13th day of August, 1915, the exportation of Coal (including anthracite and steam, gas, household, and all other kinds), and coke, which was then permitted to British Possessions and Protectorates, and Allied Countries, should be prohibited to all destinations abroad other than British Possessions and Protectorates."

These restrictions affected the whole coal industry, particularly the South Wales Coalfields, as shown by the following table:—

TABLE OF COAL EXPORTS, 1913-1919, FROM BOARD OF TRADE RETURNS.

| Year | From United Kingdom. Quantities Tons | From United Kingdom. Value £ | From South Wales (including Mon.) Quantities Tons |
|---|---|---|---|
| 1913 ... | 73,400,118 | 50,727,252 | 29,875,916 |
| 1914 ... | 59,038,880 | 39,862,008 | 24,475,551 |
| 1915 ... | 43,534,560 | 36,391,690 | 18,601,896 |
| 1916 ... | 38,351,553 | 46,386,297 | 17,417,707 |
| 1917 ... | 34,995,787 | 46,547,621 | 19,893,015 |
| 1918 ... | 31,752,904 | 48,026,492 | 17,000,834 |
| 1919 ... | 35,249,578 | 83,213,714 | 20,229,802 |

N.B.—As the quantities from 1915 to 1919 decreased from 43 million tons to 35 million, the value of exports (because of the phenomenally high prices prevailing in the export market), increased from £36 million to £83 million. One can judge from these export values to foreign countries what would have been the price of coal to the home consumer had it not been for the Government Control of the Coal Industry.

These prices and export quantities can be studied in greater detail for South Wales from the two fol-

lowing tables, from the *Western Mail Trade Supplement*, January, 1921 :—

HIGHEST AND LOWEST PRICES, F.O.B., 1913-1920.

| | Best Large Steam Coal. | | Best Small Steams. | | Best Large Black Veins. | | Best Large Anthracite, | | Patent Fuel. | |
|---|---|---|---|---|---|---|---|---|---|---|
| | H. | L. | H. | L. | H. | L. | H. | L. | H. | L. |
| 1913... | 22/3 | 17/9 | 16/6 | 10/- | 20/6 | 16/9 | 23/- | 17/- | 25/- | 20/- |
| 1914... | 22/- | 18/6 | 12/6 | 7/3 | 18/9 | 16/6 | 23/6 | 18/- | 21/- | 16/6 |
| 1915... | 37/6 | 18/6 | 23/- | 10/6 | 35/6 | 18/- | 37/6 | 23/- | 38/- | 18/- |
| 1916... | 55/- | 25/- | 32/6 | 14/6 | 55/- | 25/- | 50/- | 23/- | 55/- | 24/- |
| 1917... | 35/6 | 33/- | 24/- | 15/- | 32/6 | 23/6 | 33/- | 24/6 | 35/- | 30/- |
| 1918... | 50/- | 33/- | 28/6 | 23/- | 45/- | 30/- | 52/- | 30/- | 45/- | 30/- |
| 1919... | 110/- | 50/- | 90/- | 28/6 | 105/- | 45/- | 90/- | 45/- | 107/6 | 45/- |
| 1920... | 117/6 | 90/- | 97/6 | 65/- | 115/- | 87/6 | 120/- | 90/- | 150/- | 80/- |

Special prices to Allied countries during war period not included.

One sees from the above table of prices that the 1920 prices in some cases were more than five times those that prevailed for the same class of coal in 1913.

The following table is interesting as showing the effect of the Export Prohibition Orders referred to above on the South Wales Export Trade.

## PRINCIPAL DESTINATIONS OF WELSH COAL.

| | 1913. Tons. | 1919. Tons. | 1920.* Tons. |
|---|---|---|---|
| France ... | 7,245,000 | 9,674,000 | 7,600,000 |
| Italy ... ... | 5,565,000 | 2,677,000 | 2,150,000 |
| Argentina ... | 3,194,000 | 622,000 | 250,000 |
| Egypt ... | 1,982,000 | 1,342,000 | 850,000 |
| Brazil ... | 1,619,000 | 175,000 | 150,000 |
| Spain ... ... | 1,309,000 | 616,000 | 230,000 |
| Portugal ... | 782,000 | 457,000 | 300,000 |
| Algeria ... | 746,000 | 335,000 | 420,000 |
| Canary Islands | 697,000 | 255,000 | 350,000 |
| Uruguay ... | 608,000 | 166,000 | 120,000 |
| Malta ... ... | 579,000 | 697,000 | 400,000 |
| Russia ... | 560,000 | 83,000 | 10,000 |
| Belgium ... | 483,000 | 10,000 | 70,000 |
| Chile ... ... | 444,000 | 2,000 | 5,000 |
| Greece ... | 385,000 | 123,000 | 80,000 |

| | 1913. Tons. | 1919. Tons. | 1920.* Tons. |
|---|---|---|---|
| Austria-Hungary ... | 322,000 | 1,000 | 60,000 |
| Germany ... | 294,000 | 4,000 | 5,000 |
| Gibraltar ... | 231,000 | 1,185,000 | 1,000,000 |
| Total from S. Wales ... | 29,876,000 | 20,229,000 | 15,500,000 |

*1920 returns include estimated figures for December.

The deficiency between the 1920 exports and those of 1919 represents the loss of trade through export restrictions in anticipation of the National Coal Strike. The decline since 1913 represents loss of trade through falling outputs and war conditions. Exports from U.S..A. made up the bulk of the falling off, especially in the case of South America.

II. *Prices.*

The Government then followed with its Price Limitation Act of July 29th, 1915. The purpose of this Act was to provide for the limitation of the price of coal at the pit mouth to the standard price of 4s. per ton, so as to protect the home consumer. This 4/- standard was raised to 6/6 per ton under an Order of the Board of Trade dated July 13th, 1916.

III. *Wages.*

Following this Government Control of export and prices we get the Government, on June 1st, 1916, interfering in a wage dispute between the South Wales Miners' Federation and the South Wales Coalowners, by granting 15 per cent. as a War Bonus to the wages of the miners.

IV. *Full control.*

These measures of Government Control applied to certain incidents of the Coal Industry, such as Exports, Prices and Wages, were extended to the South Wales Coalfield to full control under the Powers of the Defence of the Realm Acts on November 29th, 1916.

## Control of Collieries.
## Defence of the Realm.
## Order under Regulation 9G.

ORDER OF THE BOARD OF TRADE, DATED THE 29TH DAY OF NOVEMBER, 1916, MADE UNDER REGULATION 9G OF THE DEFENCE OF THE REALM ACT (CONSOLIDATION) REGULATIONS, 1914.

WHEREAS under Regulation 9G of the Defence of the Realm (Consolidation) Regulations, 1914 (which was inserted in those regulations by Order in Council, dated the 29th day of November, nineteen hundred and sixteen, and is set out at the foot of this Order), the Board have power to apply that regulation to any coal mines;

Now, therefore, the Board of Trade, being of opinion that it is expedient, for the purpose of securing the public safety and the defence of the realm, that that regulation should be applied to the coal mines specified in this order, in the exercise of their powers under the said regulation and of all other powers enabling them in that behalf, hereby order as follows:—

Regulation 9G of the Defence of the Realm (Consolidation) Regulations, 1914, is hereby applied, as from the 1st day of December, 1916, until further notice, to the South Wales coalfield, that is to say, to all coal mines in the counties of Brecon, Carmarthen, Glamorgan, Monmouth, Pembroke, and Radnor.

(Sd.) WALTER RUNCIMAN."

"9G—(1) Where the Board of Trade are of opinion that, for securing the public safety and the defence of the realm, it is expedient that this regulation should be applied to any coal mines, the Board may by order apply this regulation, subject to any exceptions for which provision may be made in the order, either generally to all coal mines or to coal

mines in any special area, or in any special coalfields or to any special coalmines.

(2) Any coal mines to which this regulation is so applied shall, by virtue of the order, pass into the possession of the Board of Trade as from the date of the order or from any later date mentioned in the order; and the owner, agent and manager of every such mine, and every officer thereof, and, where the owner of the mine is a company, every director of the company shall comply with the directions of the Board of Trade as to the management and user of the mine, and if he fails to do so he shall be guilty of a summary offence against these regulations.

(3) It is hereby declared that the possession by the Board of Trade under this regulation of any coal mine shall not affect any liability of the actual owner, agent, or manager of the mine under the Coal Mines Act, 1911, or any Act amending the same.

(4) Any order of the Board of Trade under this regulation may be revoked or varied as occasion requires."

This Government Control was further extended to all Coal Mines in the following Order:—

" Order of the Board of Trade, dated February 22nd, 1917, taking possession of all Coal Mines except the South Wales Coalfield.

" Whereas by an Order made by the Board of Trade under Regulation 9G on the 29th day of November, 1916, the regulation was applied as from the 1st day of December, 1916, until further notice to the South Wales Coalfield, that is to say, to all coal mines in the counties of Brecon, Carmarthen, Glamorgan, Monmouth, Pembroke, and Radnor.

" Now, therefore, the Board of Trade, being of opinion that it is expedient, for the purpose of securing the public safety and the defence of the realm, that that regulation should be applied to the coal mines specified in this Order, in the exercise of their powers under the said regulation and of all other

powers enabling them in that behalf, hereby order as follows:—

"Regulation 9G of the Defence of the Realm (Consolidation) Regulations, 1914, is hereby applied as from the 1st day of March, 1917, until further notice to all coal mines in the United Kingdom, other than those to which the regulation was applied by the above-mentioned Order of the Board of Trade, dated the 29th day of November, 1916.

(Signed) A. H. STANLEY."

V.—*War Wage Award.*

The principle and practice of Government interference in Wage Disputes was extended nationally in 1917, when the Government, by an Order of the Coal Controller, gave the first instalment of the War Wage on October 3rd.

"Board of Trade, Coal Mines Department,
8, Richmond Terrace, Whitehall,
London, S.W.1.

Sir, 3rd October, 1917.

Gentlemen,

**War Wage.**

I am directed by the Controller of Coal Mines to inform you that the Government have decided that, as from the 17th September, a special advance in the shape of a war wage of 1s. 6d. per day shall be paid to all colliery workers (male and female, and including apprentices) of 16 years of age and over, and 9d. a day to those under 16 years.

The advance shall not be paid to any workers such as tradesmen and mechanics who are already in receipt of similar war advances granted in respect of their particular trade or craft. Any question whether any advance so granted is such as to disqualify the class of workers concerned from receiving the war wage or part of it should be at once referred to the Controller.

The application of the special advance to deputies, examiners, and firemen, is still under consideration, and meanwhile they are not included in its scope.

The special advance will be paid for every day on which a worker works, and for every day on which a worker is ready and able to work, but is prevented owing to the work of the pit, seam, or place being stopped by causes other than strikes, excluding recognised holidays, Sundays, stop-days, etc., but including days on which the work of the pit, seam, or place is temporarily stopped through lack of trade.

The loss of a shift in which a fatal accident occurs, where such loss is customary, shall not cause a forfeiture of this special War Wage.

In districts where the customary number of days worked in a normal week is less than six, the war wage will be paid as for six days to those who qualify for it in accordance with the terms of the preceding paragraphs.

The war wage will not be paid in respect of overtime, except when overtime is involved in the changing over of shift, but in no case will more than 31s. 6d. (or 15s. 9d.) be payable in respect of any worker's three weeks' work. This is, of course, chiefly applicable to the winding-engine class of workmen, but there are other classes to some extent affected.

The war wage will not be taken into account as a ground for reducing compensation to a worker on light employment after an accident or through a scheduled industrial disease, and no steps for reduction of compensation on this ground must be taken either by way of an application to the Court for review of compensation or otherwise.

I am further to state that the war wage, which is to be recognised as due to, and dependent on, the existence of the abnormal conditions now prevailing, is subject to review in the light of changes in the cost of living, and that the Controller has made arrangements with the Miners' Union concerned for consultation with him in the event of circumstances arising which may create a case for such review.

I am therefore to direct you to take immediate steps to pay the special advance on the terms of this letter, as from the 17th September, and to use your

utmost endeavours to arrange that the arrears due as from the 17th September shall be paid in the week ending Saturday, the 13th October.

The question of the increase of prices to meet the cost of the advance is under consideration, and may not be decided before the end of next week. In the meantime coal owners should immediately inform their customers that all coal despatched from the colliery on and after the 17th September must be regarded as subject to such increase of price as may eventually be authorised for the district and for the class of business concerned.

I am, Sir (Gentlemen),
Your obedient Servant,
H. F. CARLILL."

The above award was followed by a second instalment granted as follows, on and as from July 1st, 1918:—

" Board of Trade, Coal Mines Department,
Holborn Viaduct Hotel, London, E.C.1.

Sir (Gentlemen), 1st July, 1918.

**War Wage.**

I am directed by the Controller of Coal Mines to inform you that the Government have decided that in respect of any work performed on or after Sunday, the 30th June, 1918, the War Wage of 1s. 6d. (and 9d.) a day, which was granted as from 17th September, 1917, shall be increased to 3s. (and 1s. 6d.) a day, the other terms and conditions remaining the same.

I am therefore to direct you to take immediate steps to give effect to this increase.

I am also to inform you that it has been agreed between the Government and the Miners' Federation of Great Britain that Joint Pit Committees shall be universally established and charged with the duty of decreasing voluntary absenteeism and increasing output. The details of the machinery are under discussion with the representatives of the owners and workmen, and will be communicated to you in due course.

I am, Sir (Gentlemen),
Your obedient Servant,
W. A. LEE."

The wherewithal to pay this 3/- was derived from a pool formed by the collection of 4/- per ton on all output of collieries. It is interesting to note this fact, as it throws light on the origin of the National Pool so much talked of later in negotiations before and after March 31st, 1921.

*The Coal Mines (War Wage Payment) Directions, 1918, dated July 5, 1918, issued by the Board of Trade.*

"1918. No. 848.

" Whereas by two Orders of the Board of Trade, dated respectively 29th November, 1916, and 22nd February, 1917, Regulation 9G of the Defence of the Realm Regulations was applied to all the Coal Mines in the United Kingdom. Now, therefore, in pursuance of their said power the Board of Trade direct that—

(*a*) The owner of every coal mine to which the said Regulation is applied for the time being shall pay to the Controller of Coal Mines the sum of 4/- per ton on all saleable coal sold, delivered or otherwise disposed of on or after 30th June, 1918 (excluding coal consumed at colleries, and workmen's customary allowance coal), and in preparing and keeping the accounts of the mine, this payment shall be treated as an expense of the business.

(*b*) In respect of any work performed on or after 30th June, 1918, the owner of every coal mine shall pay for account of the Board of Trade to all classes of colliery workers, who were before that date with the consent of the Controller of Coal Mines in receipt of a war wage of 1s. 6d. and 9d. a day respectively, as authorised by His Majesty's Government, and shall charge the same to the Board of Trade, and in preparing and keeping accounts of the mine, this payment shall not be treated as an expense of the business."

(Signed) A. H. STANLEY,
President of Board of Trade."

VI. *Coal Mines Control Agreement (Confirmation) Act*, 1918.

We have now arrived at the stage where the activities of the Coal Controller are extended to cover the control of mines in a more exhaustive sense applicable not only to export, prices, and wages, but to the Industry on a national basis. Control extended, not only to collieries in South Wales, but over Great Britain in general. In other terms, Control was extended from collieries in the South Wales Miners' Federation to collieries in the Miners' Federation of Great Britain. These decisions to extend control in this national sense were embodied in the Coal Mines Control Agreement (Confirmation) Act, 1918, passed on February 6th, 1918, an Act to confirm and give effect to the Coal Mines Control Agreement signed by the Coal Controller and Adam Nimmo, President of the Mining Association of Great Britain, on 20th July, 1917.

VII. *Coal Mines Act*, 1919.

Then 1919 was a significant year in Government Control. We had the celebrated Sankey Commission Report, urging the Government to further regulate the Coal Industry by reducing the hours from 8 to 7, which it did in its Coal Mines Act, 1919.

VIII. *Coal Mines Emergency Act*, 1920.

The Coal Mines Emergency Act, 1920, was an Act passed on March 31st, 1920, "To make temporary provision on account of the emergency arising from the war as to the profits and control of wages and advances in respect of colliery undertakings and for purposes connected therewith." It was necessary to make arrangements for the financial adjustments occasioned by the granting of the Sankey Wage Award. This Act continued control till August 31st, 1920.

## IX. *Mining Industry Act*, 1920.

The very unsatisfactory Act of March, 1920, led the Government to put on the Statute Book the Mining Industry Act of August 16th, 1920, the main provisions of which were " to provide for the better administration of mines, and to regulate the Coal Industry, and for other purposes connected with the Mining Industry and the persons employed therein."

This Mining Industry Act was the Government's attempt to save its face from the charge that it was afraid to put into operation the recommendations of the Sankey Commission.

Clause I. of the Act states, " For the purpose of securing the most effective development and utilisation of the mineral resources of the United Kingdom, and the safety and welfare of those engaged in the Mining Industry, there shall be established a Department of the Board of Trade, to be known as the Mines Department under a Parliamentary Secretary of the Board in this Act, referred to as the Secretary for Mines."

This Act extended the date during which Control of Mines was to continue till August 31st, 1921. (Cl. 3, Sub-section 6.)

Under the Act arrangements are made for Pit and District Committees with National Boards.

The Miners' Federation of Great Britain were so disappointed with this " bastard " form of control, this bolstering up of the old system, in this Act, that it resolutely refused to have anything to do with the Act or the Department set up as its result.

The South Wales Miners' Federation were greatly incensed and disappointed that the very person—the Rt. Hon. Wm. Brace, M.P., their then President, who was the chief spokesman for the Labour Party in opposition to the Bill in its passage through the House of Commons—was the first to take up a well-paid post as Chief Labour Adviser under the Administration of this

Act. Mineworkers are convinced that the Mining Industry Act, 1920, embodies not the recommendations of the Majority Sankey Report, but Sir Arthur Duckham's Recommendations of bolstering up privately owned enterprise, rather than introducing a permanent form of joint control of the Mining Industry either with or without the Government being party to it.

Post lock-out developments in the Coalfield have driven the M.F.G.B. Executive to recommend to its districts and lodges that the resolution of the last annual meeting of 1920, refusing to co-operate in working the Mining Industry Act, be rescinded, and that the Federation should now henceforth co-operate in working the Act.

X. *De-control of Mines Act*, 1921.

Following soon on the heels of the 1920 Mining Industry Act, which, through the sheer indifference to or conscious taboo by the Miners' Federation of Great Britain, was, in effect, a dead letter, we get the bombshell which the Government hurled amongst the Miners' Federation of Great Britain, by its decision to terminate control of the Mining Industry on March 31st, instead of August 31st, 1921. This decision the Government embodied in the De-control of Mines Act, March 24th, 1921—an Act whose first clause reads as follows:—

> "The Coal Mines (Emergency) Act, 1920, as amended by any subsequent enactment shall, so far as it is limited in duration, continue in force until 31st day of March, 1921, and no longer."

Now having given in detail this rapid survey of Government Control of the Coal Industry from 1913 to 1921, let us briefly summarise the results of the above social process of Government Control.

This was necessitated by war conditions. In fact, one cannot do better than quote the words of the Prime Minister, Rt. Hon. David Lloyd George, in his meeting with the Mineowners and the Execu-

tive of the Miners' Federation of Great Britain on April 11th, 1921.

He said: "During the war Control was inevitable. We could not have done otherwise. Unless you had Control, the price would have gone completely out of control, and the nation would have been paralysed. . . . The owners would have had very large profits."

As a protection to the British Coal Consumer this Control by the Government was a great thing. It saved his pocket, and helped to win the war. Government Control from the producer's standpoint was highly beneficial. Through the instrumentality of the Government Control, by means of the following increases in wages, the miner—the coal producer—was assisted in his struggle to cope with the increasing cost of living, caused by the high prices prevailing during the war.

The table opposite summarises the various wage increases paid to miners in England, Scotland and Wales during the war, under various awards by the Government, through the Coal Controller:—

As long as Government Control continued the Adult Miners were paid the War wage, Sankey wage, and 20 per cent. wage out of funds pooled by the Coal Controller under the arrangements of the Coal Mines Emergency Act, March 31st, 1920. This stated that the Government Control of Mines was to continue till August 31st, 1920, but the Mining Industry Act later amended it to extend the period of control till August 31st, 1921.

In November, 1920, when the Datum Award was given to the miners, all members of the Miners' Federation of Great Britain thought that whatever would happen, the Government would keep to its word and continue Control till August 31st, 1921, notwithstanding the fact that the Datum Award abruptly came to an end in February, 1921. But soon after November, 1920, economic forces made themselves felt in the British Coal Trade, and the surplus in the National Pool at the disposal of the

TABLE SHOWING increases in wages given to Miners during Government Control, 1917-21 :—

| Title of Award | Amount of Increase per day | | | Date of Award | Date Award Terminated |
|---|---|---|---|---|---|
| | To Adults | To Boys 16 to 18 years | To Boys 14 to 16 years | | |
| | s. d. | s. d. | s. d. | | |
| War Wage I. | 1 6 | 1 6 | 0 9 | Sept. 17th, 1917 | Mar. 31st, 1921 |
| ,, ,, II. | 1 6 | 1 6 | 0 9 | June 30th, 1918 | ,, ,, |
| Sankey Wage | 2 0 | 2 0 | 1 0 | Mar. 20th, 1919 made payable retrospective to Jan. 9th, 1919 | ,, ,, |
| March 20 % Wage | 2 0 or 20 % whichever is the higher | 1 0 | 0 9 | Mar. 12th, 1920 | ,, ,, |
| Datum Wage | 2 0 increases automatically to 3s. 6d. in January, 1921, and vanished at the end of February | 1 0 the same happened to the proportionate increases paid to boys | 0 9 | Nov. 4th, 1920 | Feb. 28th, 1921 |

Coal Controller was wiped out. The Coalowners, either wilfully or blindly, blamed the November strike for the falling off of orders from foreign buyers, who were now giving orders to America. Then, when the Coalowners got tired of blaming the wicked and malicious miners, they set up a greater howl in the press against the muddling and malicious meddling of Government Control as being responsible for the predicament, in which the British Coal Industry found itself from the end of November, 1920, till March, 1921. We, as miners, are not surprised that the Coalowners would naturally blame the wicked miners for the loss of the export market, nor are we surprised that the Coalowners try to make a scapegoat of the Coal Controller and the Coal Mines Department. But we do not admire the lack of candour (or is it ignorance?) of the coalowners in not attributing the falling off of the Export Trade to the pernicious clauses of the Treaty of Versailles, June, 1919.

## The Versailles Peace Treaty, June 28th, 1919, and its Bearing on the Coal Crisis.

*Actual Delivery of Coal.*

In Article 232 of Part VIII., Section I., dealing with Reparation, we get the following words:—

"The Allied and Associated Governments, however, require, and Germany undertakes, that she will make compensation for all damage done to the civilian population of the Allied and Associated Powers, and to their property during the period of the belligerency of each as an Allied or Associated Power against Germany by such aggression by land, by sea, and from the air, and in general all damage as defined in Annex 1 hereto."

The above clause is translated into details re delivery of reparation coal in Annex V., where we get the five following clauses:—

(1) Germany accords the following options for the delivery of coal and derivatives of coal to the undermentioned signatories of the Present Treaty.

(2) Germany undertakes to deliver to France seven million tons of coal per year for ten years. In addition, Germany undertakes to deliver to France annually, for a period not exceeding ten years, an amount of coal equal to the difference between the annual production before the war of the Nord and Pas de Calais, destroyed as a result of the war, and the production of the mines of the same area during the years in question, such delivery not to exceed twenty million tons in any one year of the first five years, and eight million tons in any one year of the succeeding five years.

(3) Germany undertakes to deliver to Belgium eight million tons of coal annually for ten years.

(4) Germany undertakes to deliver to Italy up to the following quantities of coal :—

| | | |
|---|---|---|
| July, 1919 to June, 1920 ... | 4½ | million tons. |
| July, 1920 to June, 1921 ... | 6 | million tons. |
| July, 1921 to June, 1922 ... | 7½ | million tons. |
| July, 1922 to June, 1923 ... | 8 | million tons. |
| July, 1923 to June, 1924 ... | 8½ | million tons. |

At least two-thirds of the actual deliveries to be land borne.

(5) Germany further undertakes to deliver annually to Luxemburg, if directed by the Reparation Commission, a quantity of coal equal to the pre-war annual consumption of German coal in Luxemburg.

The significance of the above five clauses, on the export trade of the United Kingdom, particularly the South Wales Coalfield, by reference to the export

trade with France, Belgium, and Italy in 1913, is shown below:—

TABLE SHOWING exports to Belgium, France, French Possessions, Italy and Italian Possessions, from (a) United Kingdom in 1913; (b) S. Wales, with comparative statement showing effect of reparation clauses of the Peace Treaty as contrasted with actual exports from Belgium, France, and Italy in 1912.

| Countries to which Coal was Exported | Quantities Exported (a) from United Kingdom | (b) S. Wales | Quantities Annually handed over under Peace Treaty 1919 | Quantities Exported in 1912 from |
|---|---|---|---|---|
| | Tons | Tons | Tons | Tons |
| Belgium | 2,031,077 | 483,150 | 8,000,000 | 7,194,000 |
| France ... | 12,775,909 | 7,245,887 | 27,000,000 | 2,407,000 |
| French Possessions ... | 1,515,409 | 977,243 | —— | —— |
| Italy ... | 9,647,161 | 5,565,365 | 4,500,000 up to 8,500,000 | 26,000 |
| Italian Possessions ... | 5,301 | 5,301 | —— | —— |
| Total ... | 25,974,857 | 14,276,946 | 39,500,000 up to 43,500,000 | 9,627,000 |

N.B.—The reparation clauses give to Belgium, France, and Italy considerably more coal than all three countries and their possessions took as exports out of the United Kingdom in 1913, while the Peace Treaty gives these three countries four times the quantity exported from them in 1912.

*Control and complete ownership of Coalfields—Saar Basin.*

Other clauses of the Peace Treaty, very little referred to in comparison with the foregoing, are worthy of our attention to show how France now has

control of coalfields she never owned before. With this surplus coal at her disposal she can wipe out our export trade with her own country and with others.

In Section IV., dealing with the Saar Basin, Article 45 states:—

"As compensation for the destruction of the Coal Mines in the North of France, and as part payment towards the total reparation due from Germany for the damage resulting from the war, Germany cedes to France in full and absolute possession, with exclusive rights of exploitation, unencumbered and free from all debts and charges of any kind, the coal mines situated in the Saar Basin, as defined in Article 48."

Then follow in the following five clauses of the annex fuller particulars of the cession and exploitation of the Mining Property of the Saar Basin.

(1) "From the date of the coming into force of the present Treaty, all the deposits of coal situated with the Saar Basin, as defined in Article 48 of the said Treaty, become the complete and absolute property of the French State.

"The French State will have the right of working or not working the said mines, or of transferring to a Third Party the right of working them, without having to obtain any previous authorisation or to fulfil any formalities.

"The French State may always require that the German Mining Laws and Regulations referred to below shall be applied in order to ensure the determination of rights."

(2) "The right of ownership of the French State will apply not only to the deposits which are free, and for which concessions have already been granted whoever may be the present proprietors, irrespective of whether they belong to the Prussian State, to the Bavarian State, to other states or bodies, to companies, or to individuals, whether they have been worked or not, or whether a right of exploitation distinct from the right of the owners of the surface of the soil has or has not been recognised."

(3) " As far as concerns the mines which are being worked, the transfer of the ownership to the French State will apply to all the accessories and subsidiaries of the said mines, in particular to their plant and equipment both on and below the surface, to their extracting machinery, their plants for transforming coal into electric power, coke, and by-products, their workshops, means of communication, electric lines, plant for catching and distributing water, land, buildings, such as offices, managers, employees, and workmen's dwellings, schools, hospitals, and dispensaries, their stocks and supplies of every description, their archives and plans, and in general everything which those who own or exploit the mines possess or enjoy for the purpose of exploiting the mines and their accessories and subsidiaries.

" The transfer will apply also to the debts owing for products delivered before the entry into possession by the French State, and after the signature of the Present Treaty, and to deposits of money made by customers whose rights will be guaranteed by the French State."

(4) " The French State will acquire the property free and clear of all debts and charges. Nevertheless, the rights acquired, or in course of being acquired, by the employees of the mines, and their accessories and subsidiaries at the date of coming into force of the present Treaty, in connection with pensions for old age or disability will not be affected. In return Germany must pay over to the French State a sum representing the actuarial amounts to which the said employees are entitled."

(5) " The value thus ceded to the French State will be determined by the Reparation Commission.

This value shall be credited to Germany in part payment of the amount due for reparation."

*Restoration of Alsace-Lorraine.*

In Section V. of the Reparation Clauses dealing with Alsace Lorraine we get the following Articles:

*Article* 51.

" The territories which were ceded to Germany in accordance with the Preliminaries of Peace signed at Versailles on February 26th, 1871, and the Treaty of Frankfurt of May 10th, 1871, are restored to French Sovereignty as from the date of the Armistice, November 11th, 1918."

*Article* 70.

" It is understood that the French Government preserves its right to prohibit in the future in the territories referred to in Article 51 all new German participation :—

(1) In the management or exploitation of the public domain, and of public services, such as railways, navigable waterways, waterworks, gas works, electric power, etc.

(2) In the ownership of mines and quarries of every kind, and in enterprises connected therewith."

The possession and exploitation of these valuable coalfields in the Saar Basin and Alsace Lorraine, as explained above, will give to France a command of coal output that will make her independent of supplies from abroad.

There is no mystery about " the bottom being knocked out " of the British Coal Export trade in 1920, if one only studied the economic effect on the coal market of the foregoing clauses of the Peace Treaty.

The explanation of the cut in the British Coal Export Trade is international and not national.

Of course, the restrictions imposed on the Coal Trade re export under D.O.R.A. gave a chance to the keen pushing American coal-exporting business men to capture orders which could not be fulfilled by British exporters. These foreign customers, cut off by D.O.R.A., had to have coal from somewhere, so it is only natural to expect America to fill the bill. The extent to which America will be able to retain these orders from these war-time customers will depend on the duration of the contracts made then.

The collapse of the Coal Boom, with its phenomenally high prices for export coal, whatever its causes, led the Government to pass the De-control of Mines Act to De-control Mines on March 31st, 1921, instead of August 31st, 1921. This brings us to a more detailed study of events centred round March 31st.

### March 31st as a Landmark in the Coal Crisis.

Under the celebrated "Datum Award" Agreement of November, 1920, Clause (1) of the official settlement reads as follows:—(1)"Recognising that on the increased production of coal there depends not only the prosperity of all who are engaged in the coal industry, but also the welfare of the nation and the cost of living of the people, and having in view that this urgent need can only be met if the miners and mineowners throughout the country work together cordially for this common purpose, and further, having regard to the necessity of setting up machinery for regulating wages in the coal trade so as to get rid of present anomalies and provide against future difficulties, the Mining Association and the Miners' Federation solemnly pledge themselves to make every effort to achieve these objects. To that end they shall:

(*a*) Co-operate to the fullest extent to obtain increased output, and for this purpose will arrange to set up District Committees and a National Committee.

(*b*) Proceed forthwith to prepare a scheme for submission to the Government at the earliest possible moment and not later than 31st March, for the regulation of wages in the Industry, having regard, among other considerations, to the profits of the industry, and to the principles upon which any surplus profits are to be dealt with."

The Miners' Federation of Great Britain and the Mining Association set up a Negotiating Committee with a view to discuss the carrying on of the Coal Industry.

Space does not allow our presentation of the details of the M.F.G.B. policy or that of the M.A.G.B., but in order to understand the points at issue in the lock-out that followed, it will be convenient to summarise the clashing policies presented respectively by these two bodies, as representing the miners and the mineowners.

It will be convenient to tabulate these conflicting policies as the Miners' Demands and the Owners' Offer or Reply.

| Miners' Demands. | Owners' Offer or Reply. |
|---|---|
| 1. National Wages Board. | District Wages Board. |
| 2. National Pool. | No National Pool—free competitive enterprise. |
| 3. New 1921 Standard with flat floating increases. | 1914 standard with percentage increases. |
| 4. Profits' Standard to be fixed at 10% of wages. | Standard profits to be fixed at 17% of wages. |
| 5. Surplus to be shared 10% to owners as surplus profits, 90% to miners as increase of wages. | Surplus to be shared. 20% to Owners as surplus profits, 80% to Miners as increase of wages. |

## Analysis of Miners' Demands.

1. *National Wages Board.*

During the war the M.F.G.B. succeeded in getting all increases in wages to apply nationally, thus remedying and eliminating the anomalies of varying wages in different districts in the coalfield. Some few people outside the M.F.G.B., and thousands inside, are aware of the shocking differences in wages paid for the same class of workmanship in different districts of the same coalfield, prior to the war. One of the most glaring examples of this disparity is that, provided by a comparison of the Minimum Wage rate paid in Pembrokeshire with that in Glamorganshire—both in the South Wales coalfield, but under different District Agreements.

TABLE showing pre-war minimum standard wages and control-period flat-rate increases for six-day week, under district agreements, in the collier's grade.

| | Pembrokeshire, West of Cleddau. | | | Glamorganshire. | | |
|---|---|---|---|---|---|---|
| | £ | s. | d. | £ | s. | d. |
| Minimum standard wage ... | 1 | 8 | 0 | 3 | 5 | 3 |
| Flat-rate increases ... | 2 | 2 | 0 | 2 | 2 | 0 |
| Total wages per week up to March 31st, 1921 ... | 3 | 10 | 0 | 5 | 7 | 3 |

N.B.—Due to the supposed virtue of district agreements a Pembrokeshire miner received £1 17s. 3. per week less than his more fortunate fellow miner in Glamorganshire. Thanks to the pernicious benefits of the pooling arrangements of the control period the unfortunate Pembrokeshire miner enjoyed at least equal flat increases in wages with his fellow worker outside Pembrokeshire.

The regulation of wages in the future must be national argued the M.F.G.B., and with a view to achieving this, a National Wages Board must be set up to secure these increases on a national scale. Then later the function of the National Wages Board would be to secure unification of standard wages and the abolition of the differences that now exist under the numerous District Wages Boards. The National Wages Board would thus, in time, try to secure equal remuneration throughout the whole length and breadth of Great Britain for equal grade or class of work.

As Mr. Frank Hodges said to the Prime Minister and the Coalowners on April 11th, 1921, at the Board of Trade Offices:—

"Now a sort of vague sentiment crept up in the minds of our people many many years ago, that instead of having these district wage arrangements corresponding with near county areas they would go in for what is known as a National Conciliation

Board. That National Conciliation Board—I have been looking up our records—was mentioned at least twenty-three years ago as something that the people of that day thought was a desirable thing to try to attain. The Federated area, of course, was in existence then, and it is this growing sentiment which has been coming along with the development of the industry, which at last found its expression in a very concrete proposition that we should have our wages arrangements definitely and finally fixed upon a national basis."

"This desire to stabilise wages nationally for their members is characteristic of several Trade Unions, *e.g.*, National Union of Railwaymen, Transport Workers' Federation, and Amalgamated Engineers' Union. It is a tendency and direction of modern Trade Unionism."

The M.F.G.B. is a national organisation, and the time has now arrived for agreements re wages to be negotiated on a national scale. In their insistence on a national scale or standard of wages, the M.F.G.B. realise that the function of the National Wages Board will be crippled, if simultaneously there was not established a National Pool to enable that Board to pay a national standard wage with flat increases to miners working in unremunerative pits. To quote Mr. Frank Hodges again in his statement of the miners' case to the Government on April 11th, 1921, "A National Wages Board implies national financial unification . . . the districts that are rich, prosperous, and good must make some provision for those that are less fortunately placed." The National Wages Board would be illusory if not attached to a National Pool.

The M.F.G.B. proposed that the National Wages Board should consist of twenty-six representatives, drawn from miners and mineowners. They would be highly-trained efficient administrators, leaders of experience and standing in the coalfield on the one hand, and owners on the other. There will be technical advisers, and commercial men at their disposal, at the Board's expense, ready to help.

2. *National Pool.*

According to the hysterical posters and the articles in the capitalist Press (especially the utterings of the distracted Duke of Northumberland), one would be led to believe that the National Pool was something diabolically introduced from Bolshevik Russia. But the truth is, this National Pool is a British Product that has operated in the British Coalfield from 1917 to 1921.

It was by means of a National Pool of Profits that the British Government, during its control of mines, was enabled to pay flat-rate wage increases nationally, irrespective of whether the particular pit paid or not.

In its original form the National Pool was a fund created to meet the war wage of 3/- per day to adults. The fund was formed by adding 4/- per ton to the selling price of coal. It was not chargeable to the employer at all. It was really a National Levy on coal to defray the charges of the war wage. As shown by Sir Arthur Lowes Dickinson's statement before the Coal Commission in Appendix No. 4, the following were the war wages paid out of the National Pool and the contributions received from the National Levy of 4/- per ton for the quarter ended September 30th, 1918:—

*Statement furnished by Sir Arthur Lowes Dickinson showing the War Wage Contributions:*

| District. | War Wage Paid to Miners. | Contribution from Coalowners. |
|---|---|---|
| | £ | £ |
| 1. Scotland ... ... ... | 868,517 | 967,941 |
| 2. Northumberland ... | 368,255 | 402,624 |
| 3. Durham ... ... ... | 1,039,085 | 1,137,425 |
| 4. Cumberland ... ... | 84,815 | 68,679 |
| 5. Yorkshire ... ... ... | 382,968 | 422,266 |
| 6. North Derbyshire and Notts ... ... ... | 148,070 | 189,662 |
| 7. Lancashire and Cheshire | 872,566 | 794,076 |
| 8. North Wales and Ireland | 129,926 | 103,023 |

| District. | War Wage Paid to Miners. | Contribution from Coalowners. |
|---|---|---|
| | £ | £ |
| 9. Monmouthshire ... ... | 241,070 | 244,978 |
| 10. South Wales ... ... | 1,331,184 | 1,328,637 |
| 11. South Derby, Leicestershire, N. Staffordshire, and Shropshire ... ... | 278,432 | 300,097 |
| 12. South Staffordshire, Worcestershire (including Cannock District) ... | 213,543 | 234,002 |
| 13. Warwickshire, Gloucestershire (including Forest of Dean), Somerset, and Kent ... ... ... | 213,157 | 191,083 |

Later, under the Coal Mines Control Agreement Confirmation Act, 1918, we get this idea of a National Pool, raised by means of a National Levy, developed more fully in Clause 21 of the abovementioned Act, which reads:

"For the purpose of providing for the expenses of maintaining (including any rent, royalties, wayleaves, management, or other similar charges in respect thereof), and of reinstating, when re-opened, any mine in any district or group of districts hereinafter referred to, which may be closed by the direction of the Controller, so far as such expenses remain unprovided for, after all refunds of excess profits duty arising through such expenses of maintenance and reinstatement have been exhausted, the Controller shall from time to time, on the application of any association of colliery owners in any district, cause a levy to be made on the owners of all undertakings under his control at such rate per ton on the output as may be specified in such application, and every such owner shall pay the amount due by him under such levy.

The proceeds of such levy shall be paid into a fund under the control of the Controller, who shall thereout pay to the association or associations on whose application the levy shall have been made, such sums

as may be from time to time certified by such association or group of associations to be required for the purposes aforesaid.

The output on which any particular levy under this clause is to be payable shall be the output in the last completed calendar year before the levy is made, but at the end of the period of control the Controller shall make such adjustments as may be necessary to make the total amount paid by the several owners such as would have been payable had each levy been made on the average annual output during the period of control."

In its Coal Mines Emergency Act, 1920, the preamble of which reads as follows:—"An Act to make temporary provision on account of the emergency arising from the war as to the profits and control of wages in, and advances in respect of, colliery undertakings, and for purposes connected therewith," the Government develops the idea of a National Pool by a coal levy.

Clause 2 reads as follows:—

" For effecting the purposes aforesaid the following provisions shall have effect:—

(a) If the profits of an undertaking for any accounting period or part of an accounting period falling within the period of the operation of this Act—

(i.) Exceed the standard, the excess shall be assessed on and collected from the owner of the undertaking in manner hereinafter provided, and the amount so payable by the owner is hereinafter referred to as a coal levy;

(ii.) Are less than the standard, or, if there is a loss, such amount as may be required to make up the profit or loss to the amount of the standard shall be paid to the owner of the undertaking by the Controller, and the sum so payable by the Controller is hereinafter referred to as coal award."

In plain words, what collieries contribute to the National Pool as from 1920 is all surpluses above a certain guaranteed standard, out of which fund is paid any deficiences to pits that do not reach the

guaranteed standard profits. The amount thus paid to unremunerative pits is called the "Coal Award."

The difference between the National Levy of 4/- per ton to pay the 3/- War Wage per adult, and the National Coal Levy of the 1920 Act to pay the Sankey War Wage and subsequent advances is briefly this: The first National Coal Levy is a levy of 4/- per ton paid by all concerns whether they are profitable concerns or not, while the National Coal Levy in the 1920 Act is a lump sum levy consisting of the surplus profits over their guaranteed profits which profitable concerns pay in order to bring the unprofitable concerns up to guaranteed standard profits.

The M.F.G.B. having seen the benefits conferred on their members and on the industry generally through the operations of the National Pool, either in its original form of a National Tonnage Levy or in its later form as a Pool of Surplus Profits above a certain guaranteed standard, declare their adherence to a National Pool to regulate profits and wages in the Coal Industry as from March 31st, 1921.

The fundamental idea of the National Pool has been briefly summarised in a statement issued by the Executive of the South Wales Miners' Federation, which reads:—

"The central fundamental demand of the miners is that the wage system of the future shall be based on the average ability of the Industry to pay wages.

This can only be accomplished by one of two methods:—

1. By fixing wages on the average without any pool, and allow those collieries which are unable to pay on the average to go out of production, and the workmen to be unemployed. This method means that one-fourth to one-third of the workmen in the South Wales Coalfield would be thrown out of work, that is to say, anything from 60,000 to 90,000 workmen would be unemployed.

2. The other method of getting wages based on the average ability to pay and for the concerns which

cannot pay on that basis to be assisted by the more prosperous concerns. This is not only a practical proposition, but a fair proposal, because the more prosperous concerns are only asked to pay average wages although they have the capacity to pay more. Instead of asking them to pay wages up to their full capacity they get the advantage of fixing wages at the average, and in return they are asked to give such assistance to the less prosperous concerns as will enable them to keep the workmen employed at average wages.

The only alternative to the above proposals is that we should accept wages based on the ability of the poorest concern to pay, and apply that wage to all, good and bad alike. This means that wages would always be at a low point, and that a large proportion of the owners would make fabulous profits.

We do not think it right to base wages on the low point represented by the poorest collieries, therefore we rule that proposal out.

We do not think it desirable to have a large number of unemployed.

We are, therefore, forced to the conclusion that the only way to secure fair wages for the Miners is by fixing them on the basis of the average, and then afford assistance to the less prosperous by the more prosperous.

An agreement without a Pool means one of two things, either shamefully low wages, or a large volume of unemployment."

3. *A new* 1921 *Standard Wage with Flat Floating Increases.*

In the various districts of the M.F.G.B. there are numerous and varying standard wages paid. In order to sweep away these varying old standards for the purpose of later getting a national unification of standard wages, the M.F.G.B. demanded a new 1921 standard to meet 1921 prices, which decide the present standard of living. The new 1921 standard was to consist of the 1914 or 1915 standard

(as the case may be) with the incorporation of the percentages paid thereon, i.e.,

New 1921 Standard = Old Standard or + 1914 District 1915 Percentages

As the Coal Industry is one where prices fluctuate, the M.F.G.B. decided to have a floating amount to vary above the standard according to the state of the market price of coal. This varying floating amount the M.F.G.B. decided should consist of the War Wage 3/- and the Sankey Wage 2/- per day as a permanent flat floating amount to which should be added from time to time any flat increases of so much per day, as the state of the market warranted. The principle of flat increases awarded during the war is one that the M.F.G.B. considers to be the most favourable to the majority of its members, particularly the much neglected lower grade and lower paid workers. This principle of a flat floating increase is the one most in harmony with the policy of the M.F.G.B. in ridding the coalfield of the pernicious effects of the piecework principle or the principle of percentage increases which is allied to it, and which accounts for so much risk of accidents in the coalfield. Workers paid on piecework or working for percentage increases have an incentive to focus on output to the detriment of their health and safety of their places in the mines. In their demand for the war wage to be included in the flat floating amount above the standard the M.F.G.B. desire the War wage to carry with it the condition attached to it during the war, viz., paid whether at work or not according to following directions of Coal Controller, dated 23rd October, 1917.

" 7. Where the work of the pit or any part of it is stopped owing to weather conditions making it impossible to carry on normal operations, the war wage is due to such workers as are thereby prevented from working. This does not apply to any cases in which weather conditions may prevent the arrival of a worker at the colliery premises.

8. On any day on which a colliery is temporarily idle on account of a breakdown of machinery or other accident, or in order to effect repairs, all workers otherwise entitled to it must be paid the war wage of 1/6 (or 9d.) for each day on which the pit is idle.

9. When the colliery is stopped from causes other than strikes, attendance at the colliery on the day of the stoppage is not necessary to entitle a workman to the war wage in cases where he may be otherwise entitled to it. But when a worker is voluntarily absent both on the day before and the day after a stoppage of one or more days occurring otherwise than through a strike, he forfeits the war wage in respect of one (but not more than one) of the days of such stoppage, unless he can prove that he was ready and able to work on any one of the days of such stoppage."

4. *Fixing of Profits Standard as a Proportion of Wages Paid.*

Judging from 1, 2, and 3 of the demands considered so far, it looks as if the fight of the M.F.G.B. was for wages and nothing else. But one would mistake the whole struggle if one did not realise that after all the pith of all these five demands circles round the question of profits and its regulation and control. The Profits Pool hints at this, as explained above. But demand 4 makes this abundantly clear. The M.F.G.B. in its demand desired to fix a minimum rate of standard profits which would have a direct relation to the wages paid as defined in demand 3. The relation they propose is that the Standard Profits should be fixed on a national basis of 10 per cent. of the wages paid under 3. For every £100 paid in wages £10 would be paid as standard profits. This 10 per cent. standard is not an arbitrary amount, but taking the average profits in the Coal Industry for the years 1914-1920 (roughly during Government Control) it works out that the profits taken by the owners average 10 per cent. of the wages bill (*e.g.*, 1920 wage bill was £264 million, profits £27 million).

5. *Distribution of any surplus—in a definite ratio to owners as Surplus Profits, and to Miners as Increases in Wages.*

From the very nature of coal as a commodity in the world's market, the M.F.G.B. anticipate that the prices prevailing will shortly enable a surplus to accumulate above the standard wages and standard profits. The M.F.G.B. in their scheme suggest that if there be a surplus in future that it should be divided in a certain ratio between the miners on the one hand, and the mineowners on the other. The ratio suggested is 90 per cent. as increased wages to miners, and 10 per cent. as surplus profits to mineowners. This is the best scheme the miners could think of as a substitute for the offer made last year (November, 1920) to give the whole of surplus, 100 per cent., to the consumers in the form of a reduction of prices of 14/2 per ton off price of coal. The consumers made no effort to support the miners in their struggle to get the then-existing surplus of the Coal Industry by a reduction in the price of coal. So the miners did the next best thing under the circumstances and claimed 90 per cent. of the surplus themselves as producers, and allowed the mineowners to take the remaining 10 per cent.

## Mineowners' Reply or Offer.

Having devoted such space to the Miners' original demand, in analysing the Mineowners' offer in reply, one must not spend so much time, as their replies are, in fact, in most cases, blank refusals of the Miners' demands.

1. *Employers Offer of District Wages Board.*

Wage negotiations they suggested were to be decided by the old District Boards into which the coalfield was divided, *e.g.*, S. Wales, Yorkshire, Northumberland, Scotland, etc. District agreements are the very antithesis of National Wage Agreements. The wages offered by the District Boards would depend on the capacity of the district to pay. Thus it goes without saying that District Boards mean that no National Wages Board can exist or function effectively.

2. *No National Pool.*

Under the above règime of Coalfield District Boards, each District would be an independent unit, abhorring any idea of allowing a well-paying district to come to the help of a weaker district, or a weaker pit in any district by any arrangement savouring of a pool of surplus profits either by way of a National Levy or such schemes of Government Control that were introduced during the war.

3. *No new* 1921 *Standard, but* 1914 *Standard.*

The Mineowners contended that now the war is over, certain war increases given to Miners during the period of Government Control should be discontinued when control ended, thus putting the Miners' Standard wage on a 1914 standard basis. Deduct the war wage, 3/-, Sankey 2/-, and the March 20 per cent. 2/- from 1921 wage, and we arrive at the basic 1914 Standard wage (plus percentages) for a new 1921 Standard. This is the meaning of the Mineowners' demand for a serious cut of wages in the Coal Industry. Their offer, because of the varied District Agreements, meant varying "cuts" or reductions in wages. In Nottingham, Warwickshire, and North Staffordshire the reductions in wages vary from about 2/1d. per day for adults, to about 4/9 per day. While in South Wales, for adults, the proposed reduction was on an average of 7/- per day. This 7/- per day was so serious a proposition to the Pembrokeshire Miners in the South Wales Miners' Federation that we have no hesitation in quoting below in full the offer as it affected the Pembrokeshire Miner west of the River Cleddau:—

*Comparative Statement of present and proposed Wages (according to owners' pre-lock-out offer) to Pembrokeshire Miners, west of the River Cleddau.*

| GRADE | Wages prior to Mar. 31st | | Proposed Reduction | | Owners' Offer | |
|---|---|---|---|---|---|---|
| | s. | d. | s. | d. | s. | d. |
| Cutters and Repairers ... ... | 70 | 0 | ... 42 | 0 | ... 28 | 0 |
| Assistant Cutters, Repairers and Hitchers ... ... ... ... | 67 | 8·52 | ... 42 | 0 | ... 25 | 8·52 |
| Trammers, Beam-men and Unskilled Labourers ... ... | 65 | 4·44 | ... 42 | 0 | ... 23 | 4·44 |
| Boys under 20 ... ... ... | 60 | 8·34 | ... 42 | 0 | ... 18 | 8·34 |
| Boys under 18 ... ... ... | 50 | 0·24 | ... 36 | 0 | ... 14 | 0·24 |
| Boys under 16 ... ... ... | 28 | 10·14 | ... 19 | 6 | ... 9 | 4·14 |

4. *Regulation of Profits in Relation to Wages.*

The owners flatly refused the 10 per cent. of Wages as Profits offered by the miners, and demanded their pound of flesh, as 17 per cent. of wages paid.

Mr. Frank Hodges, in his statement to the Prime Minister on April 11th, 1921, made use of the following data:—

| Profits 1913 | Profits 1920 | Proposed Profits | |
|---|---|---|---|
| | | Miners Offer: | Owners Demand: |
| £13 million | £27 million | £28 million | £38 million |

This 17 per cent. is not an arbitrary amount, but is arrived at by taking the average profits in the Coal Industry up to 1914, i.e., in pre-Government Control days.

5. *Disposal of Surplus.*

The mineowners refused the 10 per cent. surplus offered by the miners, and demanded 20 per cent., thus leaving 80 per cent. for disposal as increased wages instead of 90 per cent. as demanded by miners.

Anyone, comparing or contrasting the above two policies or programmes, could foresee a clash at some no-far distant date between miners and mineowners.

The occasion for this clash was provided on March 31st, 1921, when the Government, instead of taking steps to redeem their pledge of November, 1920 (to see that a National scheme of Regulation of Profits and Wages should be set up by March 31st) decided to de-control the Coal Mines on that date.

This decision was embodied in the Coal Mines (De-Control) Act, 1921, passed on March 24th. Its first clause reads:

"The Coal Mines (Emergency) Act, 1920, as amended by any subsequent enactment, shall, so far as it is limited in duration, continue in force until the thirty-first day of March, 1921, and no longer."

Whatever de-control meant, in point of wages, it meant to the miners that the various Government awards given during Control were to cease after March 31st, 1921. This was made manifest in the next move of the mineowners, who tendered fourteen days' notice to all members of the M.F.G.B. (including pumpsmen !), in words similar to the following copy : —

**"Notice is hereby given** to you.....

of....., that the contract of service between yourself and the company will terminate on the 31st day of March, 1921.

(Signed).....Manager.

Dated this *Sixteenth* day of March, 1921.

NOTE.—Following upon the withdrawal of all Government Directions and Orders as from the 31st March, 1921, in regard to the payment of War Wage, Sankey Wage, and the 20 per cent. Advance of March, 1920, the Owners are advised that it is necessary for them to give the above Notice.

The Owners hope, through negotiation with the Workmen's representatives, that arrangements will be made as to the wages which shall be payable on and after the 1st April, so as to enable work to be continued without interruption."

With the termination of these notices there began, on April 1st, the greatest industrial struggle of modern times in the miners national resistance to a proposed staggering cut in wages and a fight for the twin principles of a National Wages Board and a National Pool, to regulate the profits and proceeds of the Coal Industry.

## B.—Events since March 31st, 1921.

### Chief incidents in the Miners' Lock-out.

If space permitted one would be tempted to give a detailed chronicle of events as they occurred from April 1st onwards. The Government, in its frantic efforts to anticipate any breaches of Law and Order, put into force its Emergency Powers Act (a kind of resurrected D.O.R.A.), with provision for a Defence Force, the calling up of the Reserves, and the Prussianising of the Police Force. All this swash-buckling of the first fortnight was accompanied by the cry of "Save the Mines," and "Keep on Pumping," which ultimately resulted in the celebrated "Safety Telegram" being sent out by the M.F.G.B. Executive, at the instigation of the Triple Alliance Leaders, as a preliminary to their promising to enter the lists.

Interesting indeed would be the reading of the events surrounding "Black Friday," when the Triple Alliance called off the sympathetic strike that was to take place at 10 p.m. on Friday, 15th April.

More sensational still would be the chronicling of the arrests that were made of Miners' Leaders, miners, and sympathisers (mostly Communists), who were apprehended under the E.P.A.

Pages could be devoted also to the magnificent response made in the appeal on behalf of the miners and their children, through the *Daily Herald* fund and otherwise.

But one must be content to skim over these in this pamphlet, and deal with only those events that have a bearing, directly, on the original demands of the Miners.

The only events we propose to analyse here are the two efforts made by the Government to settle the dispute by its offer of

(1) April 28th;

(2) May 28th; and

(3) The final terms of settlement accepted by the M.F.G.B. on July 1st.

(1) *The Government's First Offer of April 28th.*

The offer can be summarised from the Miners' standpoint into its (a) Positive and (b) Negative elements.

(*a*) *Positive Elements.*

The Government were prepared to offer £10 millions as a subvention (a new name for a subsidy) to enable the miners to bear a less reduction in wages than would be the case if no Government aid were forthcoming.

This £10 million subvention enabled the Government to suggest a 3/- per day reduction for May, 3/6 per day reduction for June, with a bigger reduction for July and August—perhaps 11/7½ a day, according as to whether there would be much left of the £10 million, to be absorbed in these two months.

(*b*) *Negative Elements.*

(1) There must be *no* trouble in the coalfield for nineteen months, as from the date of the acceptance of the above offer. The temporary offer of £10 million must lead to a durable settlement, effected by *district* agreements, lasting twelve months, as from August 31st, and terminable on three months' notice after August 31st, 1922.

(2) There can be *no* National Wages Board, in the sense asked for by the M.F.G.B. There must be District Wages Boards, which can be adjusted by a National Board.

(3) There can be *no* National Pool of Profits at all. This is a political issue to be decided in a political election of the people of the country—so says the Government.

(4) There can be *no* decision given by the Government on the

(*a*) 10 per cent. or 17 per cent. question of Profits Standard in relation to Wages;

(*b*) Question of 1921 standard or 1914 standard for wages.

These two issues are suitable ones for arbitration, says the Government.

The M.F.G.B. National Conference that met to consider the above offer had no hesitation in turning it down, because good though the £10 million offer of the Government was, nevertheless as far as its negative conditions went, it was simply the owners' original offer dressed up and " ad(h)orned."

(2) *The Second Offer of the Government made May 28th.*

This can best be analysed by reference to its (*a*) Temporary elements; and (*b*) Permanent elements.

(*a*) *Temporary Elements.*

Up to August 31st, 1921, there should be a gradual scaling down of the wages, until they reach the economic level which the industry is capable of sustaining. Taking the March, 1921, Coal Statistics, the scaling down of wages would vary from, say, 1/- to 11/7½ per day reduction.

In order to enable this scaling down to take place —or, in other words, to " cushion " the fall in wages,

(1) The Government were prepared to make a grant of £10 million from the Exchequer, which amount would be supplemented by

(2) The surrender by the owners of the right to take out of the Industry those sums, which in the scheme adopted by the Miners and Mineowners would be attributed to the owners as standard profits for a period of three months, in the Districts in which Government assistance is being required.

(*b*) *Permanent Scheme.*

As it is plain that the parties are unable to agree upon the terms of the arrangement for a continued period, the matter in controversy must be decided by one of the three following methods:—

(1) That a National Wage Board should be set up composed of equal numbers of representatives of

the Coalowners and Miners, over which a neutral Chairman, with a casting vote, should preside.

(2) That a Tribunal of three persons should be established to decide the matters at issue.

(3) That the questions in dispute should be referred to a single arbitrator.

The decision of the body or person selected should be binding upon both parties for a period of twelve months, and thereafter subject to three months' notice upon either side.

The determining body shall decide—

(a) The wage to be paid at the end of the temporary period.

In arriving at a decision upon this question, regard should be had to—

(1) The capacity of the industry in each district to pay.

(2) The provision of a subsistence wage to the lowest-paid worker.

(3) The possibilities of increasing output.

(b) The amount of the minimum standard wage in each district.

(c) The proportion of profits to wages in the distribution of the proceeds of the industry.

The determining body must report within two months.

The Executive of the M.F.G.B. decided to let the Districts consider this second offer of the Government, and unanimously the District Conferences decided to reject it, and stay out loyally and firmly for their original demands. This the Districts did by June 3rd.

On June 4th, a letter was sent to the M.F.G.B. by the Prime Minister, intimating that the £10 million subsidy would be withdrawn, if not accepted within fourteen days, i.e., by June 18th.

This putting of a time limit on the subsidy introduced a new factor, so we find the Owners, on June 5th, approaching the M.F.G.B. to discuss new proposals. On June 7th, the M.F.G.B. Executive

accept the Owners' invitation, and arrange for a National Conference, on the 10th of June, to consider a report on the proposals, and to agree to the Executive's recommendation that a ballot of the men be taken on the Owners' latest proposals.

On June 15th, there takes place a ballot on what might be termed the third offer. At the National Conference on June 10th, the Acting President, Mr. Herbert Smith, gave a much-questioned ruling that the two-third majority strike-clause would apply to this ballot.

When the Executive met on Friday, June 17th, to consider the ballot returns, they were undoubtedly surprised and staggered to find that, by an overwhelming majority, considerably over the stipulated two-thirds, the rank and file, had decided against acceptance of the Owners' terms, and for a continuance of the fight for the principles of the National Wages Board and the National Pool.

This crucial Ballot, so decisive in its result, was taken in the Coalfield without any recommendation from the Executive of the M.F.G.B. As we have summarised all offers hitherto made, it will not be out of place here to give a copy of the ballot paper on which were explained in full the latest offer.

**"Miners' Federation of Great Britain.**

BALLOT PAPER.

Are you in favour of fighting on for the principles of the National Wages Board and National Pool, with loss of Government subsidy of ten million pounds for wages if no settlement by June 18th, 1921?.....

Are you in favour of accepting the Government and Owners' terms as set forth on the back of this ballot paper?.....

Please place your **"X"** in the space provided for the purpose.

FRANK HODGES, General Secretary.

June 10th, 1921.

BACK OF BALLOT PAPER.

Note.—The Government and Owners having definitely rejected the principles of the National Wages Board and the National Pool, now offer the terms fully set out below. You are now asked to say whether you will continue the fight for the National Wages Board and the National Pool, or accept the terms offered by the Government and owners. The Government offer of ten million pounds grant in aid of wages referred to below is to be withdrawn on June 18th unless an agreement is arrived at by that date.

*TEMPORARY PERIOD.*

Government offers ten million pounds to prevent large reductions in wages where reductions are necessary.

First reductions not to exceed 2s. per shift for all workers of 16 years and upwards, and 1s. per shift for workers below 16 years.

No further reductions until August 1st.

Further reduction after August 1st to be agreed mutually until Government grant is exhausted.

The temporary agreement will come to an end as soon as Government grant is used up.

*PERMANENT SCHEME.*

*Owners' Proposals.*

National Board to fix principles for guidance of districts. Board to be comprised of equal number of representatives of both sides with independent chairman.

The parties have already agreed the principle that profits shall only be a fixed percentage of wages paid.

The Board to fix the amount of the percentage of profits to wages.

The Board to fix the amount of the new standard wage.

In this connection the owners have offered as a standard wage the total wages paid in July, 1914, plus district additions to standards, plus the percentage for pieceworkers caused by the reduction of

hours from 8 to 7, and a minimum percentage of 20 per cent. added thereto. This minimum percentage to continue until June 30th, 1922.

The Board will also fix the items of cost, which must be taken into account by the district auditors when ascertaining the district revenue.

Wages during permanent scheme to be based upon the capacity of each district to pay.

In the event of a low paid dayworker receiving a wage which does not provide him with a subsistence wage, the District Board will fix a wage which will secure it for that workman.

The decision of the National Board as to the permanent scheme to be binding upon both parties for a period of twelve months and thereafter subject to three months' notice on either side."

The Miners' Executive then decided to call a conference of all Unions faced with wage reductions, with a view to common action. Mr. F. Hodges, the General Secretary, was instructed to appeal to the Labour Party Conference at Brighton the following week. His speech was largely quoted in the press, and hailed by the other side as a sign of the Miners yielding or surrendering. The words, " We may have to bow and bend to the inevitable " were quoted in heavy type.

On the Friday following the Executive met to consider the replies from other Unions, and it was decided to ask the Government and owners for a further conference " with a view to negotiating a satisfactory wages agreement, which we can recommend to our members to accept."

And this takes place only seven days after the decisive ballot result of June 17th!

The great industrial fight of the miners, in which loomed the great issues of National Wages Board and National Pool, was suddenly reduced in the 86th day of the lock-out to merely one of a " wages settlement."

The rank and file are probably anxious to know why the M.F.G.B. Executive, that, only a week previous, had such a clear mandate from the rank and file in its last ballot to carry on the fight for

the National Wages Board and the Pool, dares negotiate now for a mere wages settlement without consulting the rank and file.

Not being a member of the Executive, one cannot give fully the reasons, but one might, without fear, chronicle *some* of the factors that led the Executive to such a decision.

(1) Probably a number, if not the majority, of the Executive, were very half-hearted in their fight for the National Wages Board and the National Pool, and even that half-hearted fight was due only to the repeated fillips to fight on, from the rank and file in their districts.

(2) Probably amongst those who did earnestly believe in the fight for the two above principles, a good number, if not the majority, felt it a hopeless task to carry on the fight in the face of the Government and Owners' opposition, coupled with the apathy and utter indifference of the other official Trade Unions. The "funk of Black Friday," as someone has it, had entered into the consciousness of the M.F.G.B. Executive by this time.

(3) Probably the permanent officials of the M.F.G.B., viewing the question from a financial and organisation point, saw the hopelessness of the continuance of the fight, with such depleted funds and the callously indifferent financial support received from other Unions, amounting to only a few coppers per week, decided to take the bull by the horns and save the M.F.G.B. from further ruin. As national leaders, they probably felt it was their place, after thirteen weeks' fight, to call a halt in the struggle, and negotiate for the best wage settlement possible.

(4) Probably the view expressed by one member of the Executive from S. Wales is a correct interpretation, that the permanent officials of the M.F.G.B. have not wholeheartedly believed in the principle of a National Wages Board and a National Pool, except in so far as they are tied down by the rank and file demands.

(5) Probably the economic situation as it expressed itself in the wholehearted co-operation of

the Government with the Owners in their refusal of the men's demands, accompanied by the acceptance of "cuts" in wages in the Engineering, Cotton, and Agricultural Unions, made it inevitable for the M.F.G.B. "to bow and bend," or rather advise the rank and file to do so, despite the last ballot result.

(6) Probably the psychology of an Executive, composed of a vast majority of paid full-time officials, often far removed, through occupational circumstances from the psychology of the rank and file, failed to appreciate the grimness and determination with which the miners entered upon this lock-out. This divergence between the psychology of leaders and that of the rank and file is expressed in the many resolutions sent from lodges demanding the resignation of the three paid M.F.G.B. officials specifically, and in other cases asking even for the resignation of the M.F.G.B. Executive *en bloc*.

Let us leave this realm of probabilities and come back to the realm of sober fact, to trace the final stages in the collapse of the lock-out. *

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* Since writing the above six probable explanations, the writer has attended the M.F.G.B. Annual Conference at Llandudno, where the Acting-President's address by Mr. H. Smith, and the Executive Committee's Report, presented by Mr. Frank Hodges, were delivered to the delegates assembled.

The whole tone of the address from the Chair and, certainly, portions of it, confirm the six points of explanation offered above.

The following are actual words used by the Chairman in his address:—

"We might be accused of being undemocratic, even of being autocratic, in terminating the stoppage as we did, but it is infinitely preferable to do an undemocratic thing in the interests of your people than to allow *empty high-sounding formulæ* to intensify the horror and misery of the people's life." . . . "We have nothing to retract, nothing to withdraw. If we have a regret, it is, that we did not take the step earlier. We are convinced that we freed ourselves from *hypocritical formulæ* just in the nick of time." . . . "The lot of our people has been hard. It remains hard. The life-savings of many are gone. Mountains of debt stare them in the face, but our people have taken this experience to heart. They will seek only to accomplish the things within practical possibility. If

On Sunday, 26th of June, we find the three permanent officials of the M.F.G.B. visiting Chequers, and discussing terms with the Prime Minister.

This visit, we understand, was not sanctioned by the Executive itself.

However, on Monday and Tuesday, 27th and 28th, the Executive members, with one abstention (hailing from South Wales, in the person of Noah Ablett), recommended the acceptance of the terms, which ultimately were accepted by the majority of Districts forming the M.F.G.B. This acceptance, as recorded by district delegate conferences, enabled the M.F.G.B. officials to sign the new 1921 Agreement, which brought the long lock-out of ninety-one days' duration to an abrupt close, on July 1st.

The terms of settlement are appended below:—

### 3.—The Coal Mining Industry Dispute 1921.

### Terms of Settlement.

1. A National Board shall be constituted forthwith, consisting in equal numbers of persons chosen by the Mining Association of Great Britain and persons chosen by the Miners' Federation of Great Britain:

There shall also be established District Boards, consisting in equal numbers of persons representing owners and workmen in each district.

The National and District Boards shall draw up their own rules of procedure, which shall include a provision for the appointment of an Independent Chairman for each Board.

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they applied themselves to all matters affecting their daily life, achieving the things nearest their hand, *not grasping at shadows or crying for the moon of political impossibilities,* they would again attain a position of power and influence, which would compel justice and right dealing, from those who hold in their hands the reins of authority."

These utterances may "confirm the critics of the Lock-out," as the "Western Mail" puts it in its editorial columns, but they are not in conformity with the doggedness and determination of the rank-and-file miners in their magnificent fight for the National Wages Board and the National Pool.

2. The wages payable in each district shall be expressed in the form of a percentage upon the basis rates prevailing in the district, and shall be periodically adjusted in accordance with the proceeds of the industry as ascertained in such district.

3. The amount of the percentage to be paid in each district during any period shall be determined by the proceeds of the industry in that district during a previous period, as ascertained by returns to be made by the owners, checked by joint test audit of the owners' books carried out by independent accountants appointed by each side.

4. The sum to be applied in each district to the payment of wages above the standard wages as herein after defined shall be a sum equal to 83 per cent. of the surplus of such proceeds remaining after deduction therefrom of the amounts of the following items during the period of ascertainment—

(*a*) the cost of the standard wages;

(*b*) the costs of production other than wages;

(*c*) standard profits equivalent to 17 per cent. of the cost of the standard wages;

and the share of the surplus applicable to wages shall be expressed as a percentage upon the basis prevailing in the district.

Provided that if in any period the ascertained proceeds, after deduction of costs other than wages and the cost of the standard wages, prove to have been insufficient to meet the standard profits, the deficiency shall be carried forward as a first charge to be met out of any surplus, ascertained as above, in subsequent periods.

5. If the rates of wages thus determined in any district do not provide a subsistence wage to low paid day wage-workers, such additions in the form of allowances per shift worked shall be made for that period to the daily wages of these workers as, in the opinion of the District Board, or, in the event of failure to agree by the parties, in the opinion of the Independent Chairman, may be necessary for the purpose. Such allowances shall be treated as items of cost in the district ascertainments.

6. For the purpose of these periodical adjustments the units shall be the districts set out in the Schedule hereto, and shall only be varied by the decision of the District Board or Boards concerned, provided that no variation shall take place prior to 1st February, 1922, in the grouping of any district unless it is mutually agreed by the representatives of both sides in the district or districts concerned.

7. The standard wages shall be the district basis rates existing on the 31st of March, 1921, plus the district percentages payable in July, 1914 (or the equivalents in any district in which there has been a subsequent merging into new standards), plus, in the case of pieceworkers, the percentage additions which were made consequent upon the reduction of hours from eight to seven.

8. In no district shall wages be paid at lower rates than standard wages plus 20 per cent. thereof.

9. The National Board shall forthwith consider what items of cost are to be included for the purposes of paragraph 4 (*b*) above, and in the event of agreement not being arrived at by the 31st July, the matter shall be referred to the Independent Chairman for decision.

10. The wages payable by the owners up to the 31st August inclusive shall be based upon the ascertained results of the month of March, and the wages payable during September shall be based upon the ascertained results of the month of July. The periods of ascertainment thereafter shall be decided by the National Board.

11. During the "temporary period," as hereinafter defined, the following special arrangements shall apply in modification of the general scheme set out above:—

(*a*) In calculating the proceeds for March the deduction to be made in respect of costs other than wages shall be the average of such costs during January, February, and March.

(*b*) In any district in which reductions in wages continue to be made after the first ascertainment,

no part of the surplus proceeds shall be assigned to profits, if and in so far as this would have the effect of reducing the wages below the level in the preceding month.

When in any district there is a break in the continuity of reductions in wages upon the periodical ascertainments, at that point and thereafter the general scheme shall apply fully in regard to owners' surplus profits.

(*c*) The proviso to paragraph 4 regarding the carrying forward of deficiencies in standard profits shall not apply, but any net losses shall be so carried forward.

(*d*) The Government will give a grant not exceeding £10,000,000 in subvention of wages.

(*e*) The subvention shall be available for making such increases to the wages otherwise payable in any district as may be necessary to prevent the reductions below the March rates of wages being greater than the following amounts:—

During July, 2/- a shift for persons of 16 years of age and upwards, and 1/- a shift for persons under 16.

During August, 2/6 and 1/3 respectively.

During September, 3/- and 1/6 respectively,

provided that the balance of the subvention is sufficient for this purpose.

(*f*) If any district in which in any month the proceeds available for wages, calculated in accordance with the terms of this settlement, are sufficient to admit of a rate of wages equal to or higher than the rate payable under the maximum reduction for that month, the wages payable by the owners shall be calculated not in terms of basis plus percentage, but on the same basis as during March, less flat rate reductions uniform throughout the district for persons of 16 years of age and upwards, and persons under 16 years of age respectively.

(*g*) In any district in which the wages calculated in accordance with the terms of this settlement are

less than the wages payable under the maximum reductions aforesaid, the difference shall be met by the owners in that district during September to the extent of the aggregate net profits realised by them on the district ascertainment for July, and during October to the extent of the aggregate net profits realised by them on the district ascertainments for July and August.

(*h*) The expression "temporary period" means the period from the date of the resumption of work to the 30th September, 1921.

12. The period of duration of this agreement shall be from the date of resumption of work until the 30th September, 1922, and thereafter until terminated by three months' notice on either side.

13. It is agreed as a principle that every man shall be entitled to return to his place when that place is available for him, and that men temporarily occupying places during the stoppage shall give way to men working in those places before the stoppage.

It is agreed that, on the other hand, there shall be no victimisation of men who have been keeping the collieries open, not in the sense that they are to remain at the jobs they filled during the stoppage, but that they shall not be prevented from going back to their own jobs or from working subsequently at the colliery.

For and on behalf of each member of the Central Committee of the Mining Association of Great Britain and for the Mining Association,

EVAN WILLIAMS, President.

THOMAS R. RATCLIFFE-ELLIS, Secretary.

For and on behalf of each member of the Executive Committee of the Miners' Federation of Great Britain and for the Miners' Federation,

HERBERT SMITH, Acting President.

JAMES ROBSON, Treasurer.

FRANK HODGES, Secretary.

For and on behalf of His Majesty's Government,

WILLIAM C. BRIDGEMAN,
Secretary for Mines.

E. A. GOWERS,
Under-Secretary for Mines.

Mines Department, July 1st, 1921.

SCHEDULE REFERRED TO.

Scotland.
Northumberland.
Durham.
South Wales and Monmouth.
Yorkshire, Nottinghamshire, Derbyshire, Leicestershire, Cannock Chase, and Warwickshire.
Lancashire, North Staffordshire, and Cheshire.
North Wales.
South Staffordshire and Salop.
Cumberland.
Bristol.
Forest of Dean.
Somerset.
Kent.

## After the Settlement.

*The Coalfields after July 1st, 1921.*

As this booklet is appearing in the press almost immediately after the termination of the lock-out, all one can hope to touch upon are some features of the immediate aftermath of the settlement. What the ultimate outcome of the new agreement will be before its life-time of eighteen months is up, remains for future historians to chronicle.

Brief though the period is during which the coalfield has restarted work, the following developments are noticeable:—

1. Many collieries have been closed down, and are being dismantled. In collieries, which have been re-opened, many districts in these pits have been abandoned. Consequent on this the number of unemployed runs to several thousands in South Wales alone. In the Rhondda area, where the

population is congested, the unemployed question is getting very acute.

At a recent conference of the S.W.M.F. it was recommended to levy the employed to the tune of 5 per cent. on wages earned, to assist the unemployed.

2. Several colliery companies are refusing to reopen their collieries under the National Agreement, unless the workmen give concessions in rates of wages, price lists, etc., that prevailed in pre-lock-out days. A classic example of this is the Ebbw Vale Colliery Company.

Then, in other cases, colliery companies that have been re-opened since July 1st (*e.g.*, several P.D. collieries in South Wales), have brushed aside certain privileges their workmen had in pre-lock-out days in claiming the minimum wage.

3. At several collieries that have restarted there is serious difficulty regarding the interpretation of Clause 13. There are complaints of victimisation of prominent lodge members, who are not allowed to resume their pre-lock-out jobs. This Clause 13, as administered by the owners, comes into conflict with the Seniority Rule that is customary in some pits.

4. There is very serious discontent amongst the rank and file concerning (*a*) the terms themselves, especially the drastic wage cuts agreed to; (*b*) the method by which the Executive forced the agreement on the rank and file.

(*a*) *The wage cuts agreed to for the temporary and permanent period.*

The rank and file—who after all have to live on the wages earned by them—complain that the wage cuts of 12/- per week, rising to 15/- in August, and 18/- per week in September, are too drastic, especially in view of the threatened unemployment. And certainly the new minimum of 20 per cent. on 1914 wages is too low a minimum.

One cannot give examples of all these wages in every coalfield, but the following examples from the South Wales and Pembrokeshire coalfields will illustrate what the men have to complain about.

Comparison of Pre-lock-out wages and wages during the temporary period and the proposed new 1921 Minimum for the permanent period.

## I.—WAGES IN SOUTH WALES AND MON. (excluding Pembrokeshire) under Schedule fixed on Part I. Lord St. Aldwyn's Award, 1912 :—

| GRADE | Pre-lock-out daily minimum wage | | Temporary Period Daily Wage for 3 months, Showing Reduction per Shift | | | | | | Permanent Period New 1921 Minimum | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | July 2/- | | August 2/6 | | September 3/- | | Proposed 1914 Wages + 20% | |
| | s. | d. | s. | d. | s. | d. | s. | d. | s. | d. |
| Colliers, Timbermen—Pieceworkers ... ... | 17 | 10.27 | 15 | 10.27 | 15 | 4.27 | 14 | 10.27 | 8 | 9.6 |
| Colliers, Timbermen—Daywagemen ... ... | 17 | 1.86 | 15 | 1.86 | 14 | 7.86 | 14 | 1,86 | 8 | 3.84 |
| Coalcuttermen ... ... | 16 | 11.21 | 14 | 11.21 | 14 | 5.21 | 13 | 11,21 | 8 | 1.92 |
| Masons and Pitmen, Tonnage Hauliers ... ... | 16 | 8.87 | 14 | 8.87 | 14 | 2.87 | 13 | 8.87 | 8 | 0 |
| Rippers, Hard Bottom Cutters ... ... ... | 16 | 4.19 | 14 | 4.19 | 13 | 10.19 | 13 | 4.19 | 7 | 8.16 |
| Day Hauliers over 18 ... | 16 | 1.86 | 14 | 1.86 | 13 | 7.86 | 13 | 1.86 | 7 | 6.74 |
| Rope Splicers, Timber Drawers, Airwaymen, Leading Hitchers, Underground Winding Enginemen... ... ... ... | 15 | 11½ | 13 | 11½ | 13 | 5½ | 12 | 11½ | 7 | 4.32 |
| Underground Leading Banksmen, Rope-changers, Night Hauliers, Riders over 18 ... ... | 15 | 9.18 | 13 | 9.18 | 13 | 3.18 | 12 | 9.18 | 7 | 2.5 |
| Soft Bottom Cutters, Roadmen... ... ... ... | 15 | 4.51 | 13 | 4.51 | 12 | 10.51 | 12 | 4.51 | 6 | 10.56 |
| Ordinary Hitchers, Sheafmen, Rollermen, Pulleymen, Jig Hitchers ... | 15 | 2.17 | 13 | 2.17 | 12 | 8.17 | 12 | 2.17 | 6 | 8.64 |
| Underground Electricians, Cogcutters... ... ... | 14 | 11.83 | 12 | 11.83 | 12 | 5.83 | 11 | 11.83 | 6 | 6.72 |
| Colliers' Helpers, Assistant Timbermen and Rippers, Ostlers, Labourers, Underground Hauling Engineers, Electric, Steam and Compressed Air Main and Subsidiary Haulage Pumpsmen, Fitters, Shacklers, Spragmen, Watermen, Assistant Underground Banksmen, Pipemen, Slummers, Wallers, Trammers | 14 | 9½ | 12 | 9½ | 12 | 3½ | 11 | 9½ | 6 | 4.8 |

## II.—WAGES IN PEMBROKESHIRE.

Because of the Special District Minimum Rates fixed by Lord St. Aldwyn in Part II. of the Coal Mines Minimum Wage Act of 1912, the following will be the wages for Pembrokeshire:—

| GRADE | Pre-lock-out daily minimum wage | Temporary Period Daily Wage for 3 Months, Showing Reduction per Shift | | | | | | Permanent Period New 1921 Minimum | |
|---|---|---|---|---|---|---|---|---|---|
| | | July | | August | | September | | Proposed 1914 Wages +20 % | |
| | | 1/- under 16 2/- over 16 | | 1/3 under 16 2/6 over 16 | | 1/6 under 16 2/- over 16 | | | |
| | s. d. | s. | d. | s. | d. | s. | d. | s. | d. |
| MINES EAST OF THE RIVER CLEDDAU | | | | | | | | | |
| Coal Hewers ... ... | 14 0.14 | 12 | 0.14 | 11 | 6.14 | 11 | 0.14 | 5 | 9.12 |
| Underground Enginemen, Banksmen, Hitchers ... | 13 0.46 | 11 | 0.46 | 10 | 6.46 | 10 | 0.46 | 4 | 11.52 |
| Roadmen, Repairers, Riders, Hauliers, Beam-men... ... ... ... | 12 10.12 | 10 | 10.12 | 10 | 4.12 | 9 | 10.12 | 4 | 9.6 |
| Trammers—16 to 18 years of age ... ... ... | 11 0.77 | 9 | 0.77 | 8 | 6.77 | 8 | 0.77 | 4 | 1.92 |
| Trammers—18 years and over ... ... ... | 12 0.77 | 10 | 0.77 | 9 | 6.77 | 9 | 0.77 | 4 | 1.92 |
| Boys under 15 years of age | 5 7.04 | 4 | 7.04 | 4 | 4.04 | 4 | 1.04 | 1 | 11.04 |
| MINES WEST OF THE RIVER CLEDDAU | | | | | | | | | |
| Cutters, Repairers ... ... | 11 8.09 | 9 | 8.09 | 9 | 2.09 | 8 | 8.09 | 3 | 10 08 |
| Assistant Cutters, Repairers, Hitchers... ... | 11 3.42 | 9 | 3.42 | 8 | 9.42 | 8 | 3.42 | 3 | 6.24 |
| Trammers, Beam-men, Unskilled Labourers ... | 10 10.74 | 8 | 10.74 | 8 | 4,74 | 7 | 10.74 | 3 | 2.4 |
| Boys under 20 years of age | 10 1.39 | 8 | 1.39 | 7 | 7.39 | 7 | 1.39 | 2 | 6.72 |
| ,, ,, 18 ,, ,, | 8 4.04 | 6 | 4.04 | 5 | 10.04 | 5 | 4,04 | 1 | 11.04 |
| ,, ,, 16 ,, ,, | 4 9,69 | 3 | 9.69 | 3 | 6.69 | 3 | 3.69 | 1 | 3.36 |

### *(b) The method by which the Executive Council arrived at a settlement.*

There is a very strong feeling amongst the lodge members that the Executive Council, and especially the permanent officials, exceeded their mandate by calling off the fight on the National Wages Board and the National Pool, when the rank and file had given such a decisive ballot, just a week prior to the decision of the Executive to call off the lock-out and enter upon wage negotiations. The rank and file bitterly complain that they have been ignored, that they have been led into a sham fight, etc.

Several lodges have sent in demands for the resignation of officials and Executive members of the

M.F.G.B., as has been referred to previously. But more serious work is being contemplated by lodges in the Coalfield than mere change of personnel. The question is one going deeper than one of placing the "Ablett" type for the "Hodges" type of leader (to use phrases that are now classical in South Wales since the two famous recriminatory letters that appeared in the press from the pens of Mr. F. Hodges and Mr. Noah Ablett after the settlement). Several lodges in South Wales at present are seriously concerned with a complete change of rules for the S.W.M.F. and the M.F.G.B. to secure that in future lock-outs or strikes, it will be impossible for any leader (whether a permanent official of the M.F.G.B. or a National Executive member or otherwise), to flout the mandate of a rank and file, as registered in a ballot vote or a conference. Attempts are being made unofficially and officially, through lodges and districts, to drastically alter the constitution of the miners' organisation so as to avoid the débâcle of the Lock-out of 1921, where the rank and file were ordered back, willy nilly, by their Executive, to work on terms which are devoid of the principles for which they, as a rank and file, faced starvation for thirteen weeks.

If the workers have failed to get an element of control over the mines, through not having a National Wages Board with a National Pool, we may depend upon it, they are determined to so re-organise their Federation that they, as workers, will, at least, have full control over the action of their chief officials, executive members, and their leaders.

5. Already the terms of settlement have changed the psychology of the M.F.G.B. Executive. At the last Annual Conference of the M.F.G.B. (1920) it was unanimously decided to boycott the Mining Industry Act, 1920, because of its unsatisfactory character. Now the Executive of the M.F.G.B. recommend that the above decision be reversed, and that the Federation should co-operate in working the Act. It points out that working the Act will prove

of considerable service to the Federation under the 1921 Lock-out Agreement. It remains to be seen how the rank and file will take to this recommendation to co-operate in the working of an Act for which they, as an organisation, have expressed such contempt, ever since it has been inscribed on the Statute Book.

*To Sum up.*

An attempt has been made to survey the preliminaries leading up to this Industrial Armageddon of 1921.

An endeavour has been made to shed light on the great principles at stake for the future regulation of the Coal Industry, in this great contest between the organised magnates of the Coalfield on the one hand and the organised army of the swarthy slaves of the lamp.

There is no hiding the fact that the whole crux of the struggle centred round the demand for a National Pool of Profits. It was ludicrous in the extreme to anyone conversant with the statistics of the Coal Industry to find the Prime Minister, during the Lock-out, in his notorious melodramatic speech at Maidstone, raising the cry " that there are no huge profits in the coal industry." Therefore, according to the Prime Minister's logic, " if there are no huge profits, there can be no profits to pool nationally."

But we *do* challenge the Prime Minister's wicked assumption—we say wicked deliberately, for he must know that coal magnates like Lord Gainford, of the firm of Pease and Partners, or to come nearer home, his fellow countrymen, D. R. Llewellyn, Seymour Berry, Evan Williams, and other magnates of the coalfield have not come by their wealth and fortunes on " losses " in the coal industry.

The miners and any intelligent unbiassed student of the coalfield statistics can prove that there are huge profits made in the coal industry. This proof one can easily get, not by reference to some Bolshevist literature, but, simply, by dipping into such sober British productions as the " South Wales Coal

and Iron Companies, 1920." It can be purchased annually for 2/-, unless one is numbered amongst the fortunate shareholders, who can get a copy free from any stock broker.

The following table, compiled from the above little handbook, speaks for itself, and gives the retort courteous to the Prime Minister's outburst at Maidstone:—

TABLE showing Profits in South Wales Collieries during the war from 1914 to 1919:—

| | A<br>Name of Colliery Company | B<br>Capital (or Shares)<br>£ | C<br>Dividends or Profits for the above 6 years<br>£ | |
|---|---|---|---|---|
| 1 | Celtic Collieries, Ltd. ... ... | 250,200 | 156,180 | |
| 2 | Consolidated Cambrian, Ltd. ... | 1,791,211 | 824,892 | |
| 3 | D. Davis & Sons, Ltd. ... ... | 962,500 | 1,391,836 | S.F. |
| 4 | Great Western Colliery ... ... | 749.944 | 894,682 | |
| 5 | Guest, Keen and Nettlefold, Ltd. ... | 7,430,500 | 2,727,841 | A.F. |
| 6 | Insoles, Ltd. ... ... ... ... | 240,000 | 247,260 | |
| 7 | International Coal Co,, Ltd. ... | 85,000 | 75,592 | |
| 8 | Lambert Brothers, Ltd. ... ... | 750,000 | 1,037,240 | S.F. |
| 9 | Locket's Merthyr Collieries, Ltd. ... | 300,000 | 201,221 | |
| 10 | Newport Abercarn Black Vein Steam Coal Co., Ltd. ... ... | 325,000 | 209,009 | S.F. |
| 11 | North's Navigation Collieries, Ltd. | 860,000 | 802,529 | |
| 12 | Penrhikyker Navigation Colliery Co., Ltd,... ... ... ... | 350,000 | 295,254 | |
| 13 | Powell-Dyffryn Steam Coal Co., Ltd. | 3,348.077 | 2,942,635 | A.F. |
| 14 | The United National Collieries, Ltd. | 1,578.020 | 1,461.377 | A.F. |
| | Total ... | £19,020,452 | £13,267,548 | |

N.B.—A.F. means all free from Income Tax
S.F. means some years dividends were free from Income Tax.

*Comments on the foregoing Table.*

What would be the total of Column C if all profits were divided instead of deducting Income Tax first before handing over the dividends? One thing we can be certain of, not only would there be £13 million, but a figure approaching the £19 million capital.

This £13 million was exploited from the coal industry during the six years of war by capital,

representing only £19 million, in the hands of a few hundred shareholders, at a time when thousands of the Welsh miners gave their services and some their life and limbs on the European Battlefield for a Tommy's pay.

If these profits are not huge, what are they?

To anticipate any critic who might contend that we have only chosen samples, and those from the most fortunately situated companies in South Wales, we append the statistics pertaining to an enterprise outside South Wales—the concern in which Lord Gainford, as vice-chairman, is interested.

*Profits of the Firm of Pease and Partners, year ended April 30th, 1921.*

| | £ |
|---|---|
| Profits distributed ... ... ... | 533,024 |
| Capital ... ... ... ... ... | 2,186,399 |
| Of the above capital, we find capitalised reserve funds= ... | 230,000 |

The following is an analysis of the reserve funds now in hand with the company—all appropriated out of profits, in addition to what has been already distributed:—

*Present Reserve Funds.*

| | £ |
|---|---|
| To general reserve ... ... ... | 250,000 |
| ,, depreciation reserve ... ... | 525,256 |
| ,, renewals and improvement reserve ... ... ... ... | 275,000 |
| ,, equalisation of profits ... ... | 200,000 |
| Total reserve funds to-day ... ... | £1,250,256 |

It is noteworthy, too, while on this question of reserve, to point out that out of the profits of 1920-21, a further sum of £100,000 is placed to reserve "for the re-instatement of the collieries, mines, and other works after the stoppage."

Lest these thousands and millions be too much for the reader, let us state the profits distributed

since 1913 to date for this company, in the following table as percentages:—

| Year. | Dividend per cent. (free of tax). |
|---|---|
| 1913-14 ... ... ... ... | 12 |
| 1914-15 ... ... ... ... | 10 |
| 1915-16 ... ... ... ... | 15 |
| 1916-17 ... ... ... ... | 17½ |
| 1917-18 ... ... ... ... | 17½ |
| 1918-19 ... ... ... ... | 12½ |
| 1919-20 ... ... ... ... | 18 |
| 1920-21 ... ... ... ... | 14 |
| Total in eight years ... ... | 116½ |

After the distribution of all their profits, this year £145,225 was carried forward as a reserve.

From the above, one sees that in eight years, since 1913, the shareholders of the above company have had—

(1) Profits more than equal their capital (and still retain their capital).

(2) £230,000 added to their original capital, invested in the form of bonus shares.

(3) A reserve fund accumulated of £1,250,256.

And yet! we are asked by the Premier's public utterance at Maidstone to believe "there are no huge profits made in the coal industry."

But, again, some reader may say Pease and Partners are exceptional.

So we will now state the profits for the whole of the collieries in the United Kingdom. For some of these statistics we have to thank the Government's own statisicians, who figured so largely in the now historic Sankey Commission Inquiry—Dr. Stamp and Sir Lowes Dickinson.

*Comparative tables of Profits and Wages in all the Coalfields of the United Kingdom.*

*Estimated Profits in* 1914 *and* 1920.

| | 1914 | 1920 |
|---|---|---|
| Profits | £14,889,000 | £27,000,000* |
| Profits per Ton | 1s. 1d. | 2s. 8d.† |

These were figures given in Table 12, Vol. III., page 143 of the Royal Coal Commission Report.

* These figures are given in the May issue of the Lloyd George Liberal Magazine, quoting Hansard.

† This is arrived at from figures taken from Statistical Summaries of the Mines Department.

*Profits and Wages in the United Kingdom Coalfields,* 1920.

| 1920 | Estimated number of people receiving | Total | Average annually per head |
|---|---|---|---|
| Profits | 37,316* | £27 millions | £724 |
| Wages | 1,185,108† | £264 millions | £224 |
| Difference per head between Profits and Wages ... | | | £500 |

* These are figures given by Mr. Birtles, an official from the Registry of Joint Stock Companies, Somerset House, on page 317, Vol. I., Royal Coal Commission Report.

† Compiled from Mines Department Statistical Summaries, 1920.

## The Miners' Demand for a National Pool of Profits.

The M.F.G.B. being aware of these profits, and also having the knowledge (gained from a study of the Statistical Summaries of the Mines Department during the control period), that there are many concerns running at a loss, demanded now that those profitable concerns should pool their surpluses, above a certain guaranteed amount of profit, to assist unprofitable concerns to carry on by paying a national standard minimum wage.

The National Pool was not a Political dodge; it was an economic device for the future regulation of the coal industry. As one miners' leader has said, it was not a political issue, but a " pool-itical " one.

The National Pool has been shown to be an economic or industrial fact, for five years, under the Government Control of Industry. But we would like to show also that the principle of pooling of profits has been applied for years in every colliery, in the fact that there has been a pooling of the results of every seam of varying richness or thickness. This aspect of the question has been presented very clearly by one of the Executive members of the M.F.G.B. —Mr. Noah Ablett in his two articles on the National Pool that appeared during the Lock-out in the *Daily Herald*.

Inseparable from this question of the Pooling of Profits is the question of a National Wages Board to regulate wages nationally.

The coal industry must be run—but not at the cost of sacrificing wages to a decent standard of living fixed nationally. As the Right Hon. Thomas Richards, the Secretary of the S.W.M.F., stated to the South Wales Coalowners at a recent Conciliation Board Meeting: " It is too late in the day for the owners or anybody else to think, that after the war, in which so many miners and others had sacrificed life and limb for their country, that the miners were to be trampled underfoot, and asked to cut coal at below-the-cost-of-living standard, and leave intact the profits and property of the coal-owners."

The Miners, despite their valiant fight for ninety-one days in the Lock-out of 1921, have not gained the principles of the National Wages Board and the National Pool that they came out for on April 1st.

It is true they have nominally been granted a National Wages Board in Clause 1 of the Agreement (see page 52), but it is a sham National Wages Board, with none of the powers to control wages or profits nationally, in the sense explained herein on previous pages.

The fact that these principles have not been granted, in this last conflict, does not mean that the miners are to acquiesce in the old order of things, and the *status quo*, and lose all hope of ever

achieving a real National Wages Board and a National Pool of Profits.

The rank and file must set their minds, more stedfastly than ever, on these ideals, which they attempted to have incorporated in the Coal Mining Industry, as a result of their magnificent example of solidarity, during the Lock-out. Instead of counting the next eighteen months, the lifetime of the 1921 agreement, as a time to mourn over the loss of a real National Wages Board and a National Pool, the miners' lodges should look upon it as a period of preparation for a further assault on Capitalism in the Coalfield. The Miners' organisations, from the lodge and district upwards, will probably have all their work cut out to keep their organisations intact, rebuild their funds, and consolidate their forces. But parallel with this overhauling process there must proceed forthwith a steady, rousing propaganda amongst the rank and file to secure converts amongst themselves and amongst their leaders, to an understanding of what they are up against as wage-earners, and what war on Capitalism means.

The propaganda must be extensive and intensive. Lodge meetings must be turned into lecture rooms and classes, centres of discussion and planning, about the next phases of the struggle, to win the control of their Industry for the workers.

Steps must be taken to get a miners' paper started to circulate weekly, monthly, or quarterly, to thrash out these problems pertaining to these plans of the future.

The potency of the Press, as a factor against us during the Lock-out, ought to encourage a movement afoot to secure a larger circulation for the daily and weekly press, that supported our cause, as against the capitalist press. Efforts must be made to make every lodge member a permanent subscriber to the papers that supported him in his last fight, *e.g.*, *The Daily Herald*, *The Communist*, *The Socialist*. *The Worker*, *The Workers' Dreadnought*, *The Labour Leader*, *The Forward*, *The Plebs*, *The Guildsman*, etc.

The rank and file must aim at making their members in the lodges class conscious, fully alive to the defects of the Coal Mining Industry under Capitalism, and fully aware of their ability and power, as organised workers, to take the place of Capitalism and substitute workers' control.

The failure of the Triple Alliance on " Black Friday " must not discourage us. The Triple Alliance, hitherto, from its inception, has done nothing but fail, *e.g.*, in the Railway Strike of 1919, in the trouble the miners had during the aftermath of the Royal Coal Commission, in the Datum Strike of 1920, and, lastly but not least, in the Lock-out of 1921. There is reason as well as rhyme in the title of " The Cripple Alliance," descriptively used during the Lock-out. There were certainly leaders of the Triple Alliance not prepared to take any risks in associating in direct action with the miners, but whatever influence these leaders wielded, there must have been something wrong with the works—the machinery or organisation of the Triple Alliance that refused to work. Surely the main body of the Executive would have over-ridden these " big guns " of the Triple Alliance, had there been an opportunity.

The rank and file would do well to study the resolution passed on April 21st, regarding " Black Friday " by the M.F.G.B. Executive, in which they state: " The real cause for the sudden, unexpected, and unjustifiable withdrawal of the other two sections of the Alliance must be looked for in the character and structure of the Triple Alliance itself."

These changes in the character and structure of the National Triple Alliance of the Miners', Railwaymen, and Transport Workers' organisations will not be accomplished till these organisations have formed local triple alliances to consolidate their rank and file forces. Local conferences and mutual discussion between miners' lodges, railwaymen's, and transport workers' branches will be the only safeguard against a repetition of the betrayal of " Black Friday."

The walls of Capitalism, unlike those of Jericho of yore, will not crumble at the blast of big trumpets blown by big leaders. Capitalism will only fall when undermined by powerful rank and file organisations making united assaults upon it. The loyalty and sacrifice of the miners during the lock-out is an earnest of the spirit needed to win ultimate victory for the members of the working class.

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